

## MARCH 2008 QUARTERLY REPORT

21 April 2008

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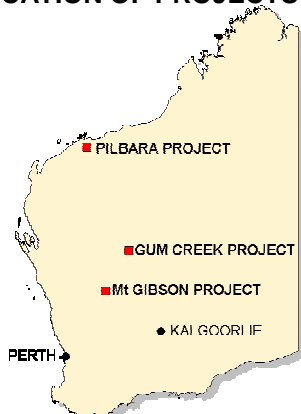
### PROJECTS

**Pilbara:** nickel-copper & zinc-copper

**Gum Creek:** copper-nickel-PGE, gold

**Mt. Gibson:** zinc-copper-gold

### LOCATION OF PROJECTS



### HIGHLIGHTS

- **5,000m Aircore drill programme completed at Gum Creek Project**
- **First batch of Notices of Intention to Grant received for Pilbara Project tenements**
- **Strong cash position - \$11.4 million**

### OVERVIEW

The March quarter has seen good progress on all of our projects.

The Gum Creek Project saw considerable exploration and drilling activity. A VTEM survey was conducted over the entire Bungarra Intrusive Complex and most of the Thangoo project area. Ground EM surveys over selected areas at Thangoo were also undertaken. Priority targets generated from these programmes were drilled in a 5,000m aircore programme completed in the first week of April. Results are expected later this month and will be reported once they are received and interpreted.

It is particularly pleasing to have the first Notices of Intention to Grant for the Pilbara Project tenements, with more expected over the next month or so. Heritage Agreement negotiations with the Ngarluma Aboriginal Corporation are ongoing, and once finalised, full scale field work will commence leading up to a drilling programme on selected VTEM targets as previously announced.

Following a comprehensive review of historical data including relogging of drill core, Oxiana field staff have indicated their intention to commence a diamond drilling programme at the Mt Gibson Project during the June quarter. Further details will be released as they become available.

New project opportunities continue to be reviewed.

## **1. Gum Creek Project**

The Gum Creek Project is divided into three areas, Bungarra, Thangoo and Woodley, and is considered prospective for both intrusion-related (Ni-Cu-PGE) and komatiite flow-related (Ni) sulphide mineralisation, see Figure 1.

### **Bungarra**

#### ***VTEM Survey***

A Versatile Time Domain Electro-Magnetic survey (VTEM) was completed over the entire mafic/ultramafic Bungarra Intrusive Complex (BIC), effectively testing 18km of intrusive margin, and immediate surrounds, for Ni-Cu-PGE mineralisation, see Figure 2.

A strong conductive feature was shown to extend south of the Python prospect, as well as several features of interest along both the western and eastern margins of the BIC in areas with transported cover. Conductive features were also identified east of the BIC associated with felsic volcanics and sediments.

#### ***Aircore Drilling***

A total of 47 aircore drillholes for 828m were completed at Bungarra testing seven conductors identified by the VTEM survey. All assay results are pending.

#### ***Python RC Drilling***

One Reverse Circulation (RC) drillhole (LPYC008) for 111m was completed at Python targeting a strong ground EM conductor. The hole intersected minor pyrite and pyrrhotite associated with felsic volcanics and dolerite near the margin of the BIC.

Assay results have been received from all RC drillholes at the Python prospect, including the seven RC drillholes (LPYC001-007) completed during the previous quarter. Drillhole details are shown in Table 1 below, while a summary of assay results is provided in Table 2.

**Table 1: Python RC Drillhole Details**

Hole	Easting	Northing	Drill Type	Dip	Azi (Mag)	Depth
*LPYC001	749920	6980350	RC	-60 <sup>0</sup>	90 <sup>0</sup>	165
*LPYC002	750000	6980300	RC	-60 <sup>0</sup>	90 <sup>0</sup>	120
*LPYC003	749950	6980300	RC	-60 <sup>0</sup>	90 <sup>0</sup>	175
*LPYC004	749950	6980400	RC	-60 <sup>0</sup>	90 <sup>0</sup>	80
*LPYC005	749900	6980400	RC	-60 <sup>0</sup>	90 <sup>0</sup>	133
*LPYC006	750140	6980200	RC	-60 <sup>0</sup>	90 <sup>0</sup>	81
*LPYC007	749900	6980075	RC	-55 <sup>0</sup>	60 <sup>0</sup>	150
LPYC008	750060	6980200	RC	-60 <sup>0</sup>	90 <sup>0</sup>	111
<b>Total</b>						<b>1,015</b>

\* Drillhole completed during December 2007 quarter.

**Table 2: Python RC Drillhole Assay Results**

Hole ID	From	To	Int	Pt ppb	Pd ppb	Pt+Pd ppb	Ni %	Cu %
LPYC001	56	84	28	-	-	-	-	0.17
LPYC001	76	80	4	175	225	400	0.16	0.41
LPYC001	140	165 EOH	25	138	59	197	0.02	0.01
LPYC003	80	104	24	-	-	-	-	0.11
LPYC004	12	16	4	20	45	65	0.10	0.14
LPYC004	64	80 EOH	16	165	55	220	0.03	0.01
LPYC005	76	80	4	40	255	295	0.15	0.25
LPYC006	28	44	16	29	130	159	0.08	0.12
Nickel (Ni) and Copper (Cu) assayed by XRF. Platinum (Pt), Palladium (Pd) assayed by 40g fire assay (lead collection) ICP-MS at Ultra Trace Pty Ltd, Perth. RC drillhole samples collected by spear and composited over 4m intervals.								

These results, and those from diamond drillhole LGCD001, have provided sufficient evidence of nickel in sulphide mineralisation to warrant further evaluation of the prospect.

### **Dugite & Adder RC Drilling**

Three RC drillholes (LGCC001-003) for a total of 549m were completed at the Dugite and Adder prospects during February. The drillholes were targeting ground EM conductors and anomalous rockchip geochemistry on the eastern margin of the BIC. All holes intersected the contact between gabbro of the BIC and the underlying felsic volcanics and sediments, which locally contained up to 10% pyrite.

Drillhole details are provided in Table 3.

**Table 3: Dugite & Adder RC Drillhole Details**

Hole	Easting	Northing	Prospect	Dip	Azi (Mag)	Depth
LGCC001	749920	6980350	Dugite	-50 <sup>0</sup>	250 <sup>0</sup>	201
LGCC002	750000	6980300	Dugite	-50 <sup>0</sup>	250 <sup>0</sup>	201
LGCC003	749950	6980300	Adder	-55 <sup>0</sup>	90 <sup>0</sup>	147
<b>Total</b>						<b>549</b>

Assay results from the drilling were generally low, however drillhole LGCC003 at Adder returned the following anomalous PGE intersection: 16m @ 0.22 g/t Pt, 0.07 g/t Pd from 52m.

## **Thangoo**

### ***Ground EM Survey***

The second ground Moving-Loop Time Domain Electromagnetic survey (MLTEM) was completed at Thangoo to further evaluate the ultramafic (komatiite) units with anomalous nickel drill results and associated elevated aeromagnetic response. The survey identified three strong conductors on the eastern flank of the survey area, however did not identify conductors over the targeted ultramafic units, see Figure 3.

These conductors have not been covered by geochemical sampling and limited shallow aircore drilling. The limited drilling indicates the conductors are related to black shale, which is in direct contact with ultramafic units of komatiitic affinity and represent priority drill targets.

### ***VTEM Survey***

A VTEM survey over the eastern portion of Thangoo was completed during the quarter, see Figure 4. The survey defined the extent of a strong generally N-S trending conductor associated with black shale in contact with komatiitic units, identified in a previous ground EM survey. This is considered a favourable position for nickel sulphide mineralisation.

Several other conductors were also identified in the western part of the survey. Ground reconnaissance over these features revealed spinifex textured ultramafics and confirms the presence of komatiite units interpreted from aeromagnetic data.

### ***Aircore Drilling***

A total of 73 aircore drillholes for 4,117m were completed at Thangoo testing seven ground EM and VTEM conductors. All assay results are pending.

### ***RC Drilling***

One RC drillhole (LTHC009) for 111m was completed at Thangoo targeting a strong ground EM conductor, intersecting a strongly pyritic and graphitic black shale.

Assay results have been received from all RC drillholes at Thangoo, including the eight RC

holes (LTHC001-008) completed during the previous 2007 quarter. Drillhole details are shown in Table 4 below, while a summary of assay results is provided in Table 5.

<b>Table 4: Thangoo RC Drillhole Details</b>					
<b>Hole</b>	<b>Easting</b>	<b>Northing</b>	<b>Dip</b>	<b>Azi (Mag)</b>	<b>Depth</b>
*LTHC001	740880	6965600	-60 <sup>0</sup>	270 <sup>0</sup>	159
*LTHC002	740975	6965600	-60 <sup>0</sup>	270 <sup>0</sup>	165
*LTHC003	741175	6965600	-60 <sup>0</sup>	270 <sup>0</sup>	121
*LTHC004	741375	6965600	-60 <sup>0</sup>	270 <sup>0</sup>	177
*LTHC005	741185	6965600	-60 <sup>0</sup>	90 <sup>0</sup>	153
*LTHC006	739775	6969900	-60 <sup>0</sup>	270 <sup>0</sup>	159
*LTHC007	739425	6970600	-60 <sup>0</sup>	270 <sup>0</sup>	155
*LTHC008	740430	6971450	-60 <sup>0</sup>	270 <sup>0</sup>	120
LTHC009	740725	6971450	-60 <sup>0</sup>	270 <sup>0</sup>	117
<b>Total</b>					<b>1,326</b>

\* Drillhole completed during December 2007 quarter.

<b>Table 5: Thangoo RC Drillhole Assay Results</b>							
<b>Hole</b>	<b>From</b>	<b>To</b>	<b>Int</b>	<b>Ni %</b>	<b>Cr %</b>	<b>Cu %</b>	<b>Co %</b>
LTHC001	36	60	24	0.29	0.56	0.008	0.029
LTHC001	88	128	40	0.26	0.82	0.006	0.017
LTHC002	12	92	80	0.35	0.63	0.010	0.034
Incl	60	68	8	0.51	0.67	0.007	0.038
LTHC003	72	84	12	0.31	0.67	0.006	0.026
LTHC004	16	32	16	0.36	0.65	0.035	0.061
LTHC005	24	60	36	0.31	0.87	0.007	0.029
LTHC006	28	48	20	0.36	0.21	0.009	0.042
LTHC007	28	52	24	0.30	0.68	0.002	0.018
LTHC007	136	140	4	0.40	0.01	0.027	0.025
LTHC008	32	76	44	0.24	0.99	0.014	0.016

### **Next Phases of Work**

Further ground reconnaissance over VTEM features at Bungarra and Thangoo is planned to advance these to drill target status.

## **2. Pilbara Project**

The Pilbara Project area lies between 7km and 50km south of Karratha in the northwest of Western Australia, see Figure 5, and comprises 686km<sup>2</sup> of granted tenements or tenement applications. Legend has previously defined 11 priority drill targets from VTEM and ground EM



surveys. The Project is considered prospective for nickel-copper and copper-zinc mineralisation.

### **Tenement Status**

Notices of intention to grant have been received from the DoIR for three exploration licences (E47/1745, 1746, 1797) and 16 prospecting licences (P47/1360-1375, 1380). It is expected that these tenements will be granted within 30 days.

### **Next Phases of Work**

Heritage Agreement negotiations with the Ngarluma Aboriginal Corporation to continue.

Drilling of previously identified VTEM/ground EM targets will follow the grant of tenure and heritage clearance.

## **3. Mt Gibson Project (Farm-In & Joint Venture: Oxiana earning 75%)**

The Mt Gibson Project (zinc-copper-gold) is the subject of a Farm-In and Joint Venture Agreement between Legend and Oxiana Exploration Pty Ltd, a wholly-owned subsidiary of Oxiana Limited (ASX:OXR), signed on 31 August 2007. The Project is considered prospective for volcanic-hosted massive sulphide style mineralisation similar to Oxiana's world-class Golden Grove Mine situated 100km to the north.

During the quarter, Oxiana geologists completed relogging numerous previous diamond drillholes and undertook an extensive multi-element geochemical analysis of the drillcore, utilising a Niton portable XRF analyser. This information will be used to assist the planning/targeting of a diamond drilling programme, which is scheduled for the second quarter of 2008.

## **4. Corporate**

During the quarter, 15,196,470 options were exercised at 0.25 cents each bringing the number of ordinary shares on issue to 1,175,074,750.



A handwritten signature in black ink, appearing to read 'M. W. +', followed by a long horizontal line.

**Mark Wilson**

Managing Director

21 April 2008

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

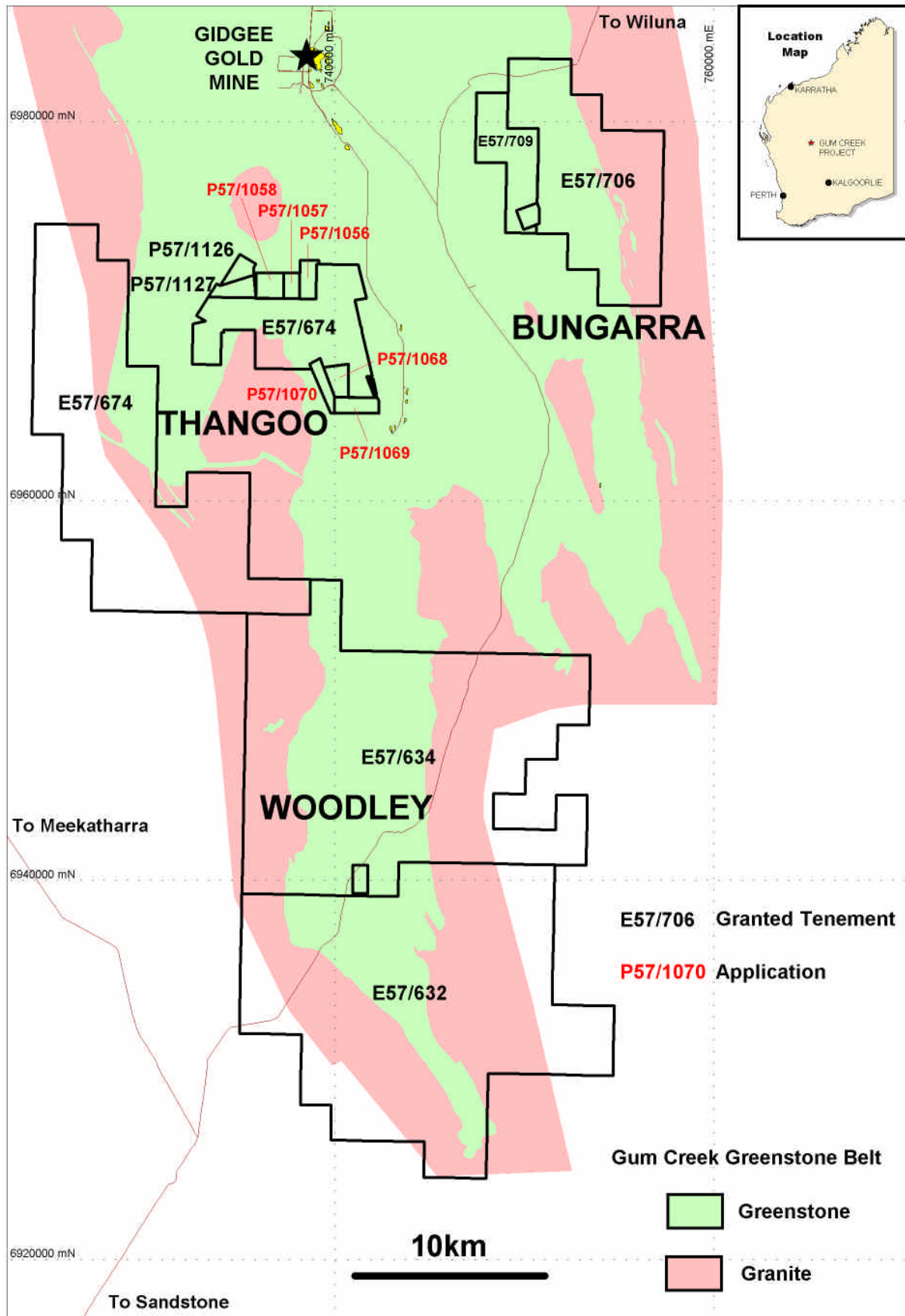
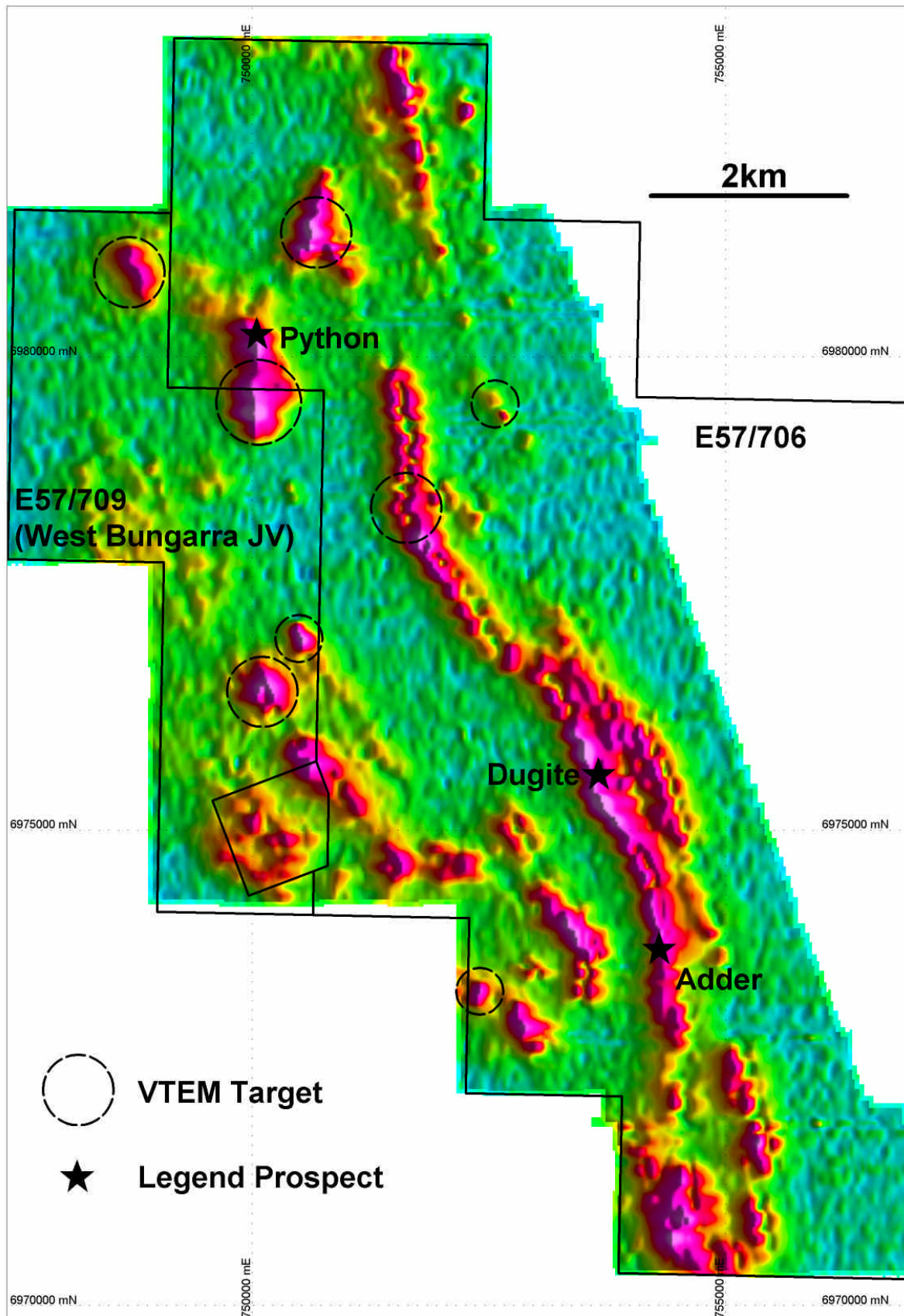
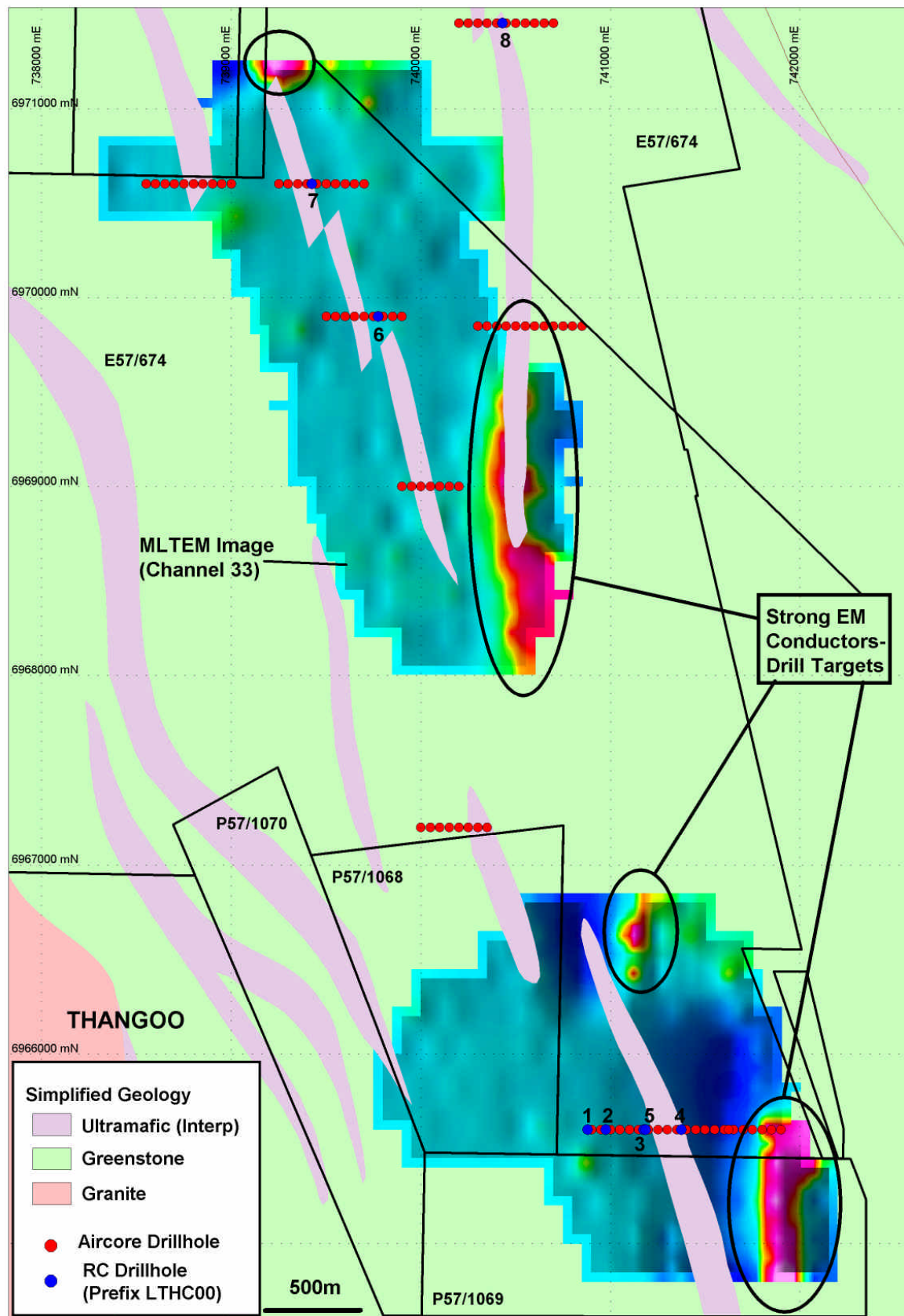


Figure 1: Gum Creek Project

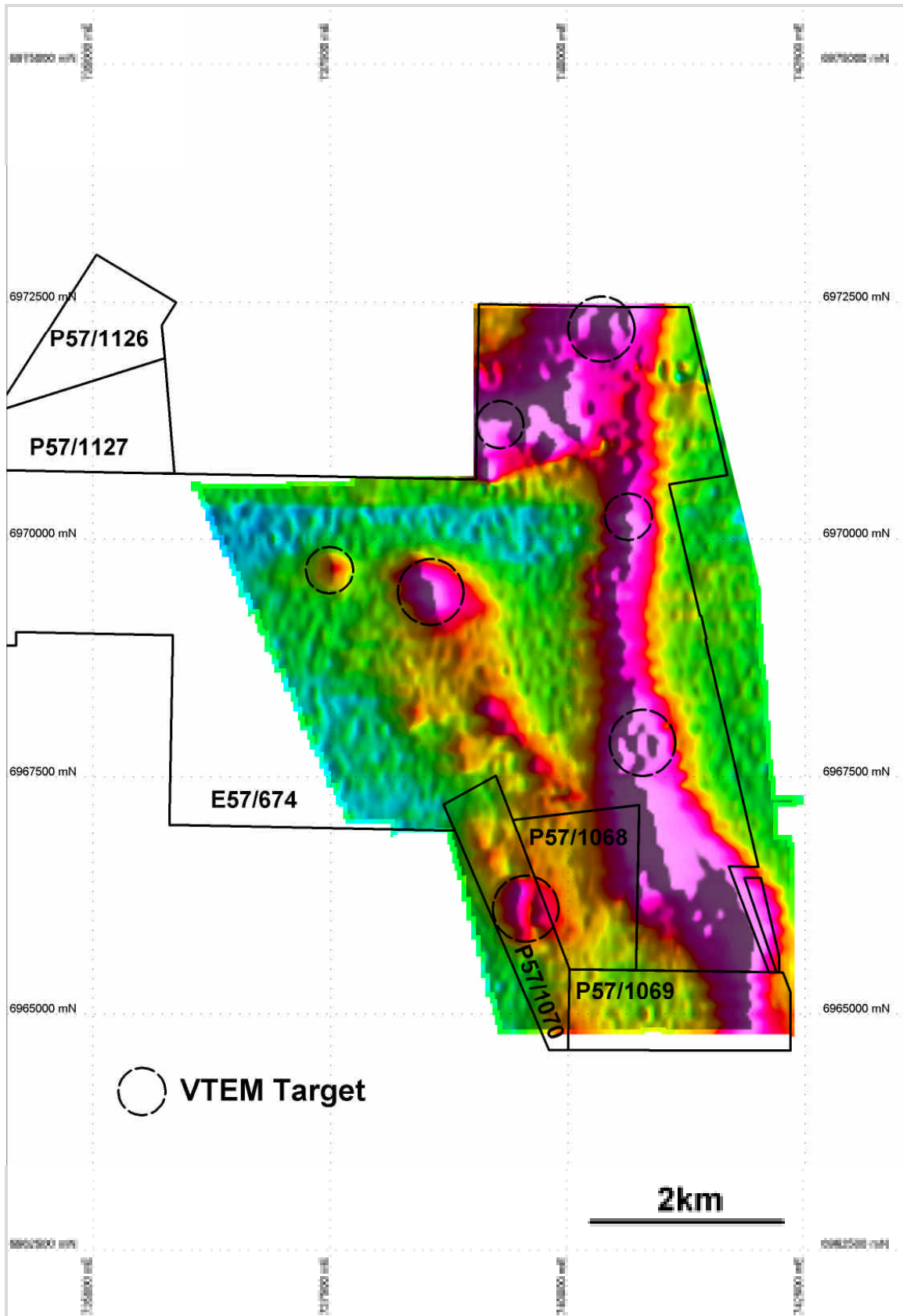




**Figure 2: Bungarra VTEM Survey – (Channel 34)**

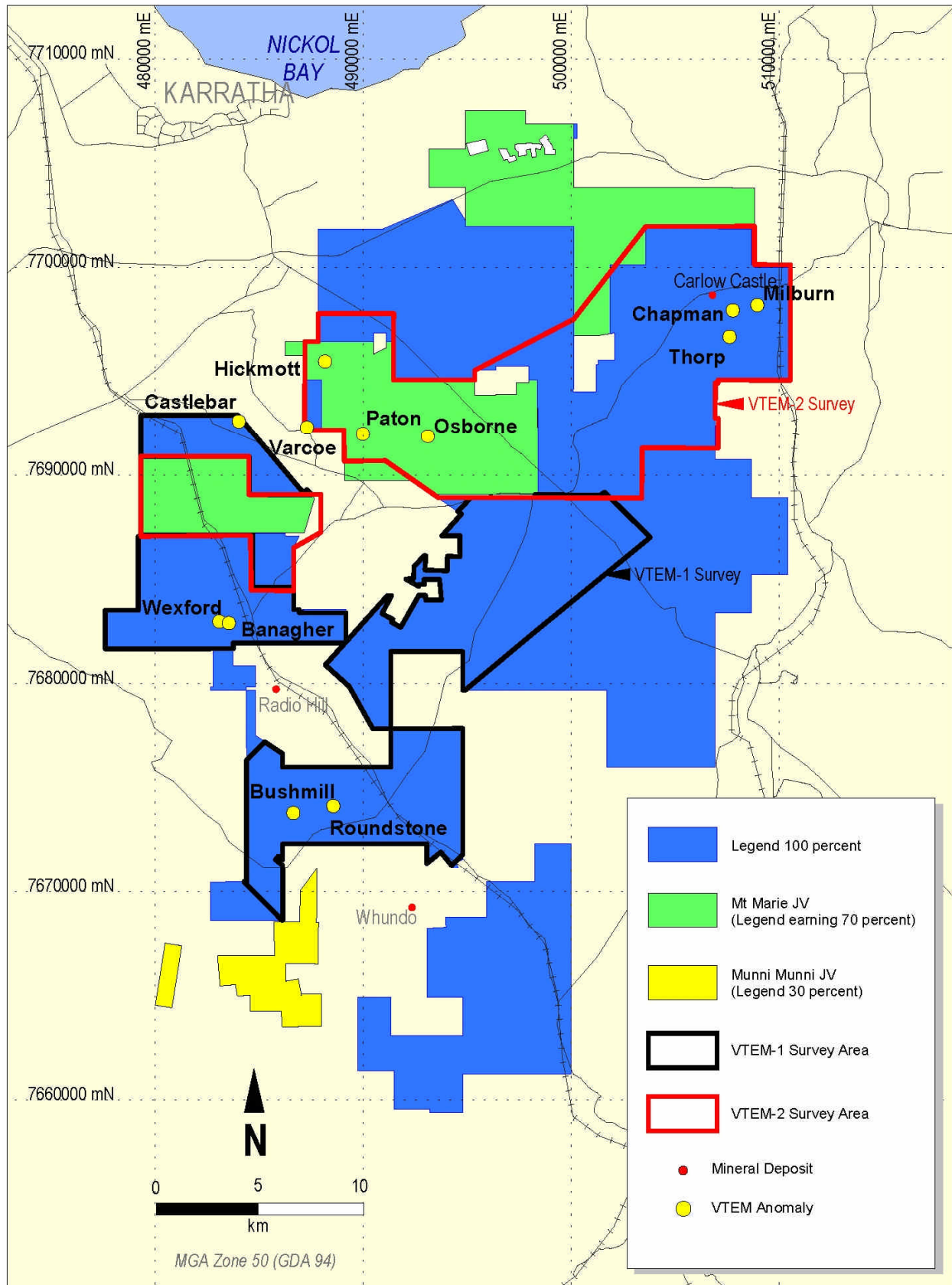


**Figure 3: Thangoo – Simplified Geology with Ground EM Image and Drillhole Locations)**



**Figure 4: Thangoo VTEM Survey – (Channel 34)**





**Figure 5: Pilbara Project Location Plan**