ASX:LEG **18 July 2011** **ASX Announcement**

DRILL ASSAYS UPGRADE IRON RESULTS

- **Drill assays from Melombo North confirm encouraging iron grades and thicknesses.**
- **Iron grades higher than previously reported.**
- **Early results from Melombo West indicate similar potential.**

Legend Mining Limited (Legend) is pleased to announce laboratory results from two diamond drillholes (NMELD002 and 007) at the Melombo North target - Ngovayang Project, Cameroon, see Figure 1. The thickness and grade of these drill intersections are 91.2m @ 23.1% Fe in hole NMELD002 and 105.4m at 29.5% in hole NMLED007. These were previously under-reported as 94.85m @ 17.6% Fe and 58.42m @ 22.8% Fe by Niton XRF analyser. The fact that "magnetic" rocks of variable intensity and thickness have been intersected in nine of the ten drillholes at Melombo North, demonstrates the magnetite potential of this target and within the Project generally.

Legend Managing Director Mr Mark Wilson said: "These drill results confirm the large scale and high quality potential of the Ngovayang Project, particularly when you consider the high grade (+70% Fe) and low impurity magnetite concentrate we reported earlier this year,"
"We have only drill tested Eseka, Melombo North and Melombo West so far, and our objective of ranking as many targets as possible this year with drilling activity is on track. We look forward to the news flow as the work progresses" said Mr Wilson.

The diamond drilling programme is ongoing with the completion of three drillholes (NMLWD001-003) at the Melombo West prospect. All three holes have intersected variable thicknesses of magnetite gneiss associated with a 6km long aeromagnetic feature. Niton XRF analyser results indicate a range of 16.9% Fe to 23% Fe, which is comparable with readings from previous drillholes at Melombo North and Eseka.

The drill rigs will complete testing the Melombo West target before mobilising to the Melombo East target. See Figure 1.

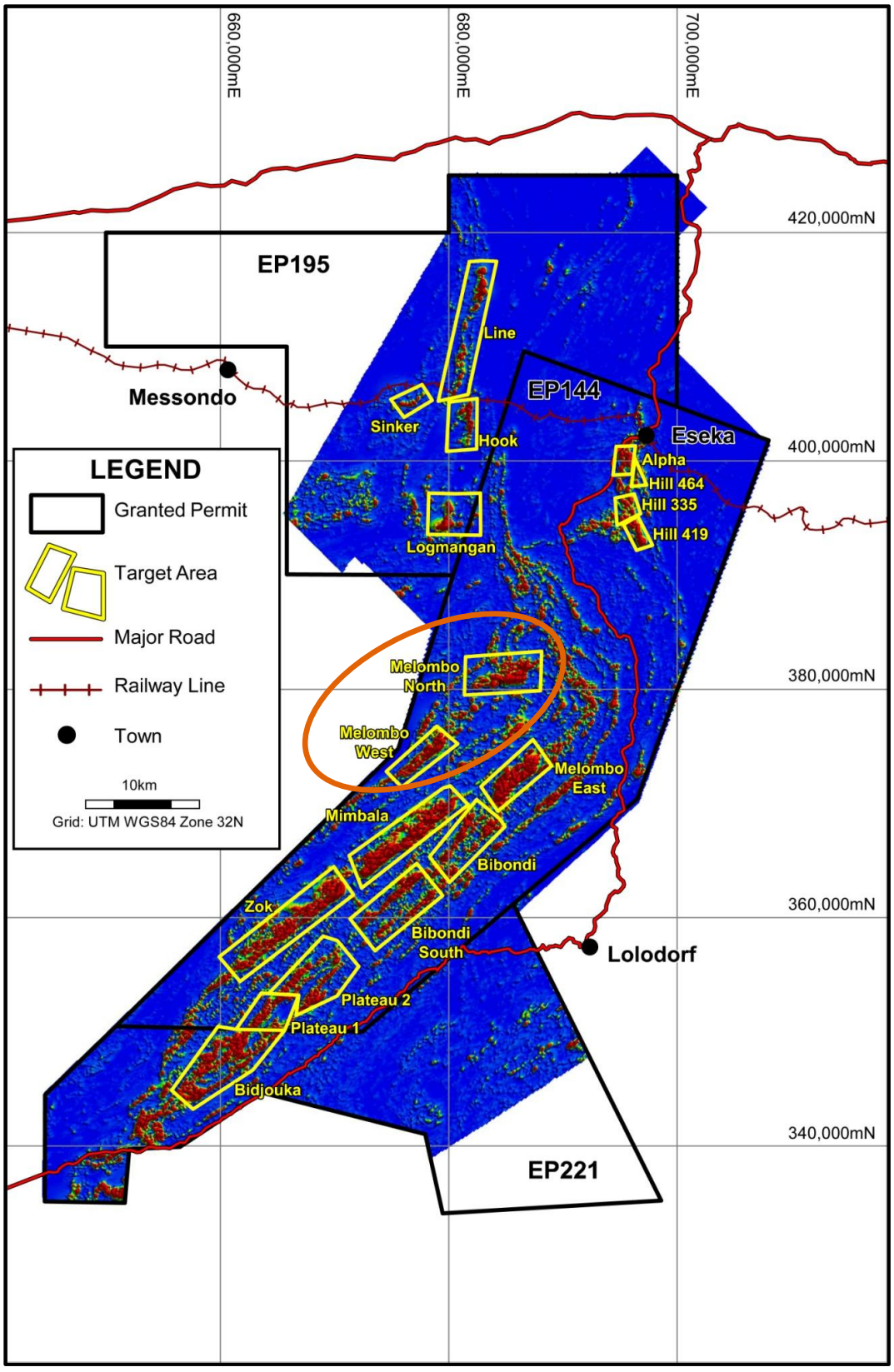

Figure 1: Ngovayang Project – Target Areas over Aeromagnetic Image (Analytical Signal of Total Magnetic Intensity)

Technical Discussion

Melombo North

As reported in Legend's 12 May 2011 ASX announcement significant thicknesses of magnetite gneiss were intersected in two drillholes at the Melombo North target, see Figure 2. Niton XRF analyser readings of 94.88m @ 17.6% Fe and 58.42m @ 22.8% Fe were returned from holes NMELD002 and NMELD007 respectively.

Both holes were assayed in their entirety at nominal 4m intervals or to geological boundaries, and analysed for a full iron ore suite. The best intersections from the two holes are summarised below in Table 1.

Table 1: Summary of Magnetite Gneiss Intersections

Hole	From	To	Interval	Fe%	SiO_2%	Al_2O_3%	P%	LOI%
NMELD002	42.5	133.7	91.2	23.1	50.2	8.4	0.062	-0.6
Including	42.5	92.3	49.8	29.0	45.0	6.8	0.065	-1.4
NMELD007	0	105.4	105.4	29.5	39.8	9.3	0.051	3.7
*Including	0	36.35	36.35	38.9	23.9	9.8	0.045	10.1

*This intersection comprises weathered magnetite gneiss containing goethitic material, evidenced by higher Fe and LOI values and lower SiO_2.

Assay Method: Fe, SiO_2, Al_2O_3, P by fusion XRF – OMAC Laboratory, Ireland.
LOI – Loss on Ignition at 1,000^{0}C determined gravimetrically.

A comparison of the laboratory assays results versus the earlier reported Niton XRF analyser results for these intersections confirms the inferred under reporting of the Niton XRF analyser for magnetite gneiss. Whilst a "true" value for the under reporting is not possible due to differences in interval thickness and sample preparation, the following comparisons are considered reasonable.

NMELD002 under reported by approximately 5.5% Fe (23.1% vs 17.6%).
NMELD007 under reported by approximately 6.7% Fe (29.5% vs 22.8%).

These intersections indicate that magnetite gneiss of significant thickness and grade are present at Melombo North. The fact that nine of the ten holes completed intersected "magnetic" rocks of variable intensity and thickness explains the aeromagnetic anomaly. Full interpretation of the drilling results and downhole geology is underway to evaluate the prospectivity of this target along with the previously reported Eseka targets.

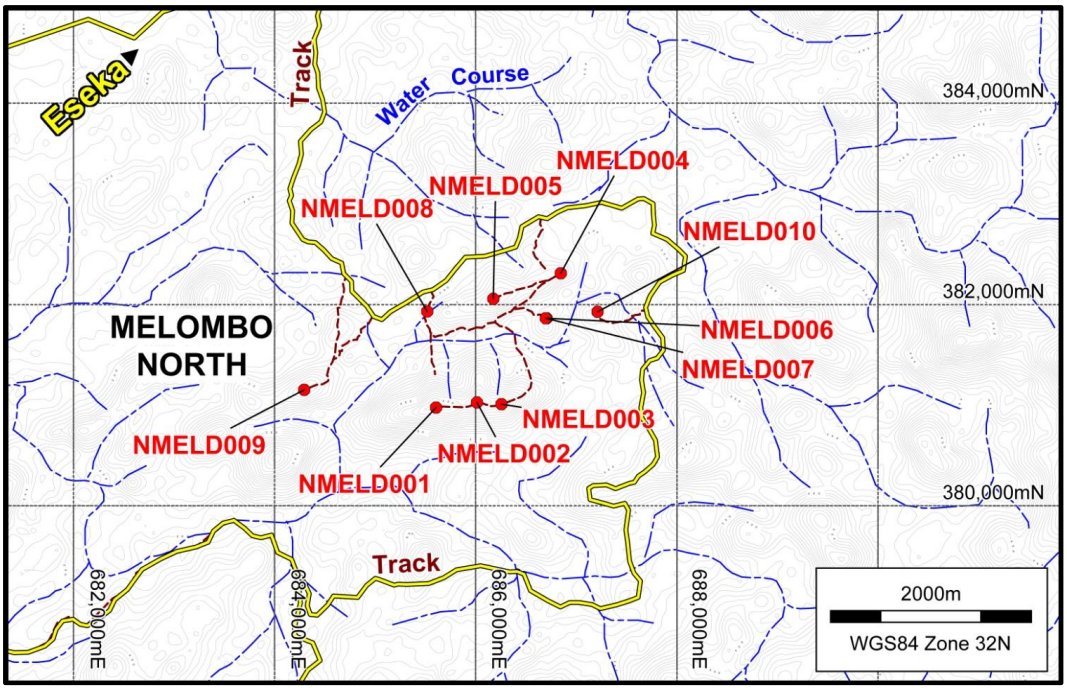

Figure 2: Melombo North Diamond Drillhole Location over Topography

Melombo West

Three diamond drillholes (NMLWD001-003) have been completed to date at the Melombo West prospect for a total of 341.95m, see Figure 3. Drilling is ongoing, with an additional four drill pads prepared to target a 6km long aeromagnetic feature associated with magnetite gneiss.

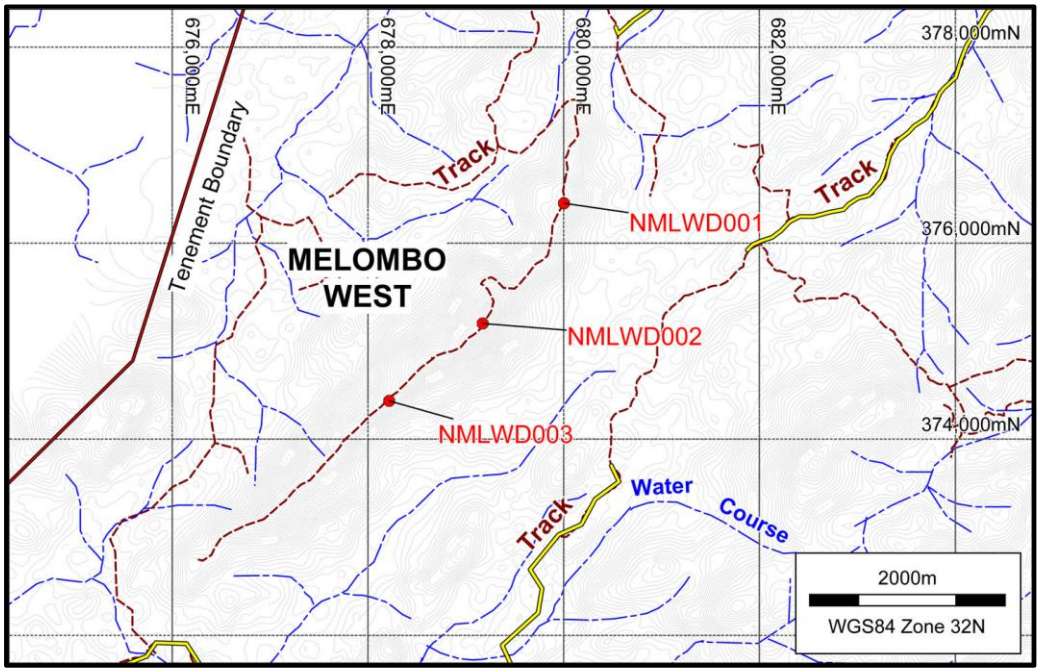

Figure 3: Melombo West Diamond Drillhole Location over Topography

Details of the drilling are summarised in Table 2 below.

Table 2: Diamond Drillhole Details – Melombo West				
Hole ID	**Easting**	**Northing**	**Dip/Azimuth**	**Final Depth**
NMLWD001	680004	376406	-90/000	116.98
NMLWD002	679174	375179	-90/000	125.98
NMLWD003	678217	374389	-90/000	98.99
Total				**341.95**

Drilling utilised an Ingetrol man portable diamond drilling rig – HQ and NQ core sizes.
Co-ordinates: Universal Transverse Mercator WGS84, Zone 32, Northern Hemisphere.

All three drillholes at Melombo West intersected a thick package of banded/interlayered gneiss with variable magnetite-garnet-biotite-chlorite content. The "magnetic" component of the three holes is significant with between 58% (NMLWD001) and 90% (NMLWD002) of the entire hole dominated by magnetite gneiss or garnet-magnetite gneiss. Niton XRF analyser results indicate a range of 16.9% Fe to 23% Fe, which is comparable with readings from previous drillholes at Melombo North and Eseka, and would be expected to be upgraded by laboratory analysis.

A comprehensive report on the results of all drilling at Melombo North will be released once the planned holes are completed in the next few weeks.

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 consultant to 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.

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