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PROJECTS**Cameroon:** iron ore, gold**Pilbara:** nickel, copper, zinc,
iron ore**HIGHLIGHTS**

- **Phase 1 Drilling completed at Melombo East**
- **Assays awaited from seven holes**
- **New rig to be mobilised for Phase 2 Drilling at Melombo East**
- **Preparations for April commencement of Phase 1 Drill campaign at Plateau Prospect well advanced.**
- **Memorandum of Understanding (“MOU”) signed with POSCO**
- **Mt Gibson sale settled with \$8.2M to Legend treasury**

OVERVIEW

The first phase of the diamond drill testing of the Melombo East prospect was completed during the quarter. Assays are awaited for seven of the holes and will be reported once received. The grades and intercepts of magnetite observed to date continue to support the commercial potential of this prospect. It is hoped that Phase 2 of the drilling will enable initial resource calculations to be commenced.

Meanwhile the team has been busy constructing the fly camp and drill pads for a planned 25 hole drill programme at the Plateau prospect. This programme is scheduled to commence later this month. Full details of these activities are included in the body of this report.

Negotiations continue with POSCO Africa to conclude an exploration joint venture following the signing of a MOU in Yaounde, Cameroon in February.

The settlement of the Mt Gibson sale to a subsidiary of Asia Iron Australia was completed with the total consideration boosting Legend’s treasury by +\$8.2M.

1. CAMEROON PROJECT

The Cameroon Project comprises three granted exploration permits covering an area of approximately 2,970km² and is considered prospective for iron ore and gold, see Figure 1. Magnetite-gneiss ore has been identified as the primary source of iron ore at the project.

Posco MOU Signed

Legend and POSCO Africa (Pty) Ltd (“POSCO”) signed a MOU on 15 February 2012 by which the parties have agreed to use best endeavours and co-operate to negotiate and agree an exploration joint venture in relation to Legend’s Ngovayang iron ore project in Cameroon. These negotiations are at an advanced stage. The MOU is non-binding and non-exclusive.

Drilling Ongoing

Diamond drilling continued during the March quarter. Drill testing of the priority target area of Melombo East (see Figure 2) has been the focus of activity this quarter.

Plateau

Fly camp establishment, drill rig access tracks and drill pad preparation are well underway at the Plateau prospect (see Figure 2). It is envisaged that the man portable diamond drill rigs will be mobilised to the prospect in April 2012 to test areas with outcropping magnetite gneiss.

New Equipment Ordered

Legend placed an order in December 2011 for a new track mounted diamond drill rig and ancillary equipment from a South African based supplier. The ancillary equipment was shipped to Cameroon in March 2012 and the new rig is scheduled for mid April despatch following modifications, to suit the Project conditions.

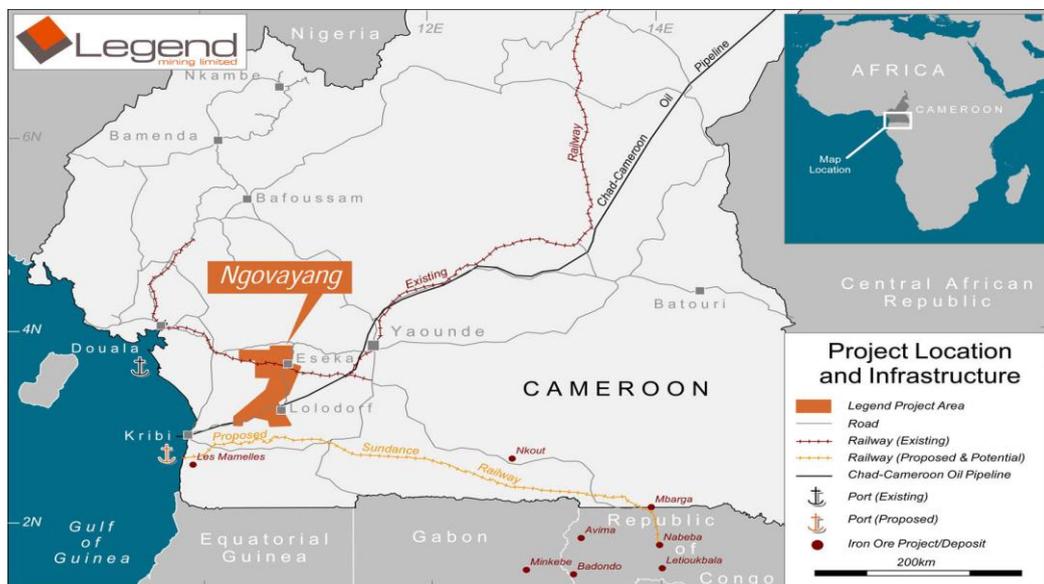


Figure 1: Cameroon Project Location and Infrastructure

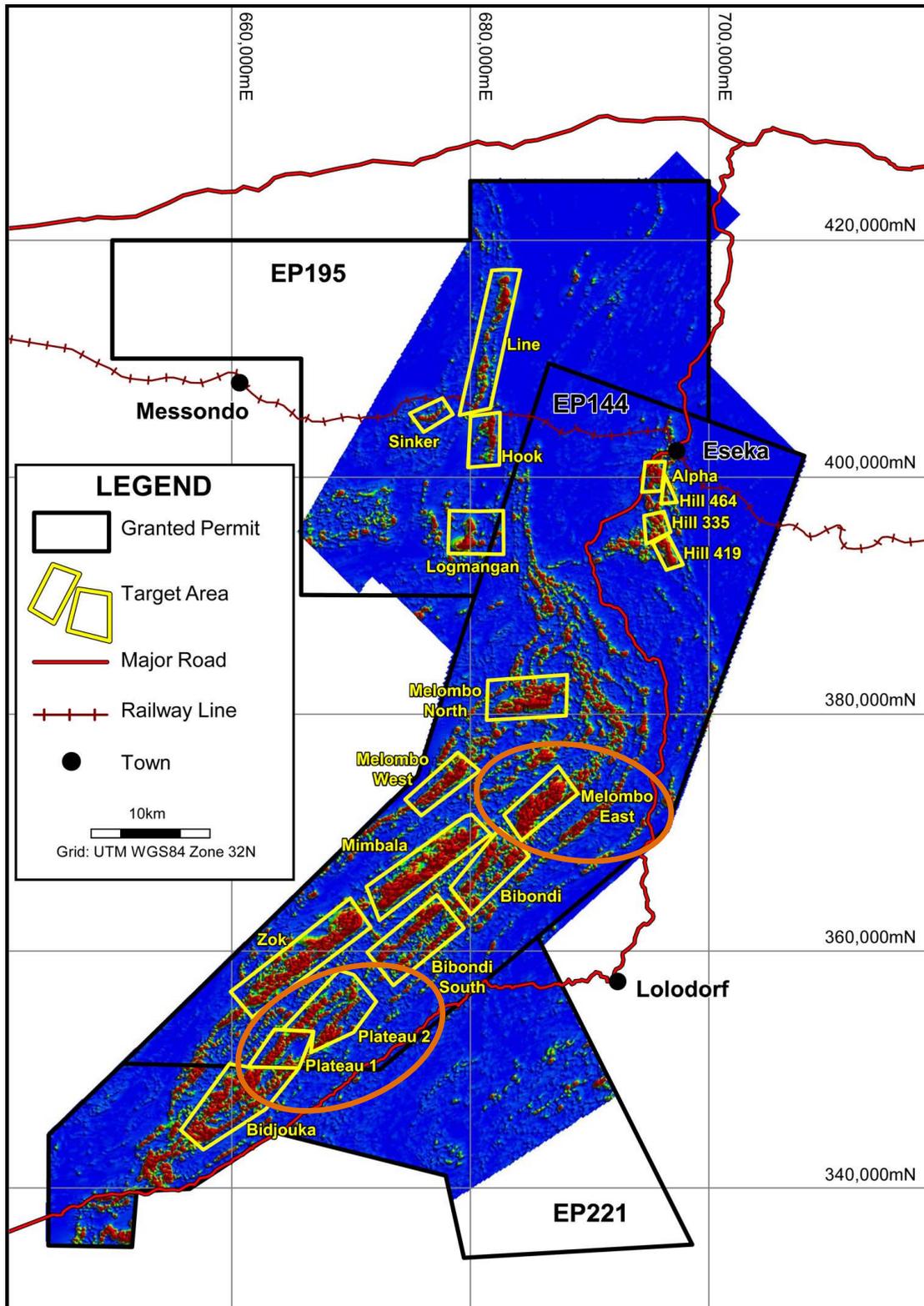


FIGURE 2: Ngovayang Project - Target Areas over Aeromagnetic Image (Analytical Signal of Total Magnetic Intensity)

Melombo East

The man portable diamond drilling programme at Melombo East, comprising 34 holes (DH042-075) for a total of 2,349.25m has been completed. The drilling has focussed on a large (6km x 1.5km) complex aeromagnetic feature, targeting areas with outcropping magnetite gneiss and supported by geophysical modelling.

Legend’s larger track mounted diamond drilling rig, which is currently undergoing modifications/improvements in South Africa, will be mobilised to Cameroon in mid April and sent to Melombo East to undertake deeper drill testing at the prospect.

During the March quarter, seven holes were completed in the southwestern part of the prospect and a further 15 holes in the northeast. Unfortunately, poor ground conditions in the northeastern part of the prospect and limited power capacity of the current rig resulted in nine holes not being completed. The larger track mounted rig, which has more power and greater depth penetration than the man portable rigs, will commence drilling in this region.

The full details of the drilling programme are provided in Appendix 1, while drillhole locations are shown on Figure 3.

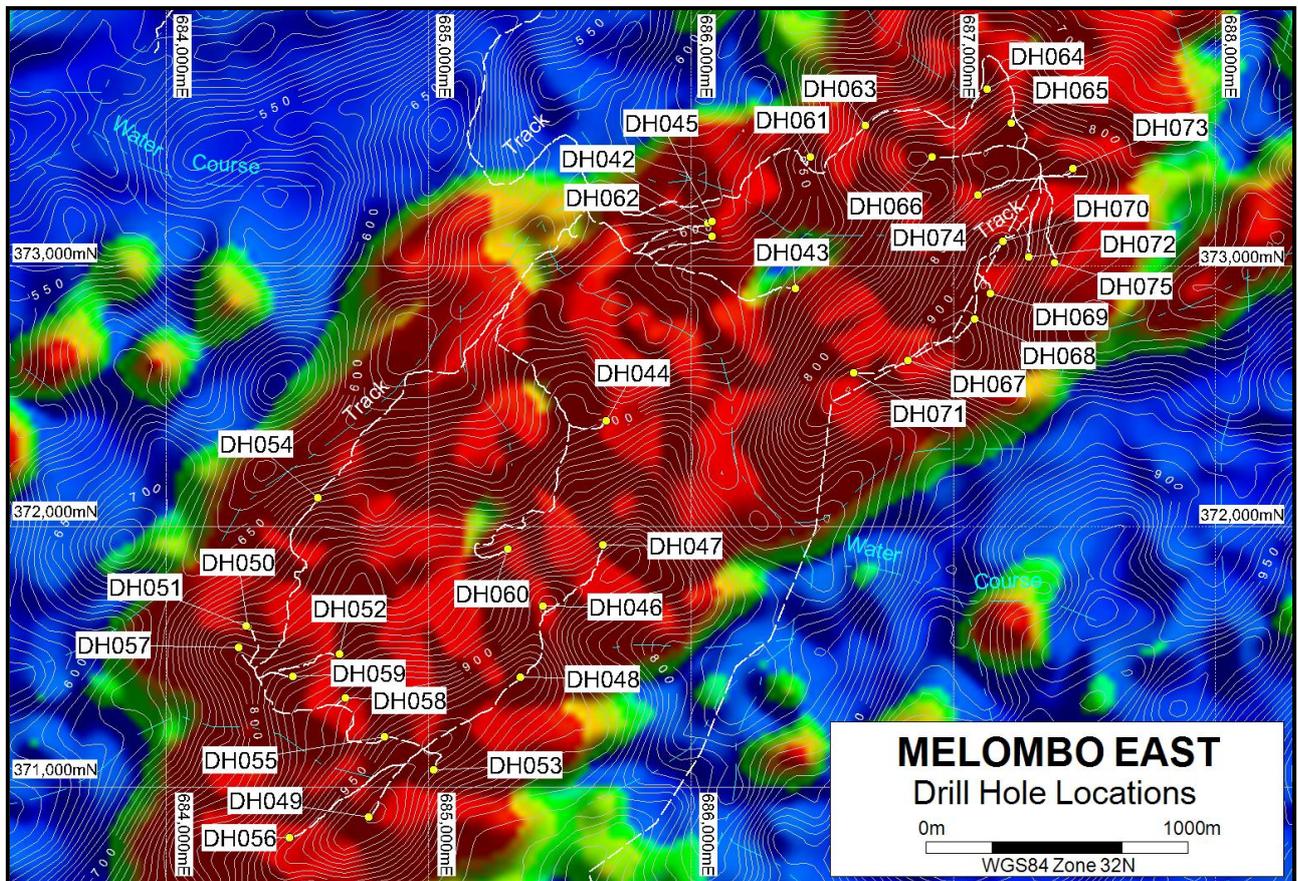


Figure 3: Drillhole Location over Aeromagnetic Image

Drillholes in the southwest of the prospect, (DH054, DH055, DH058 and DH060, three of which ended in magnetite gneiss, see Table 1) continued to intersect significant thicknesses (48-100m) of magnetite bearing gneiss.

Drilling in the northeast had mixed success, with significant thicknesses (53–77m) of magnetite bearing gneiss intersected in holes DH061, DH064 and DH066.

Table 1: Melombo East - Logged Magnetite Bearing Gneiss Intervals – March Quarter Drilling

Hole	From	To	Int	Description	Area
DH054	0 41.8	32.2 100.5 (EOH)	32.2 58.7	Two intervals of magnetite gneiss Hole ended in magnetite gneiss	SW
DH055	0	100.5 (EOH)	100.5	Signif. intersection – ended in magnetite gneiss	SW
DH056	31.2	55.8	24.6	46% of hole contains magnetite gneiss	SW
DH057	18.1 83.0	42.6 97.7	24.5 14.7	Two intervals of magnetite gneiss 35% of hole contains magnetite gneiss	SW
DH058	48.4	96.7	48.3	44% of hole contains magnetite gneiss	SW
DH059	-	-	-	Hole not completed, 3.4m magnetite gneiss	SW
DH060	39.8	104.9 (EOH)	65.1	Signif. intersection – ended in magnetite gneiss	SW
DH061	3.8	56.6	52.8	74% of hole contains magnetite gneiss	NE
DH062	28.4	59.9	31.5	34% of hole contains magnetite gneiss	NE
DH063	0	30.2 (EOH)	30.2	Hole not completed – all magnetite gneiss	NE
DH064	24.4	100.5 (EOH)	76.1	Signif. intersection – ended in magnetite gneiss	NE
DH065	-	-	-	Hole not completed – no magnetite gneiss	NE
DH066	0	77.1 (EOH)	77.1	Signif. intersection – ended in magnetite gneiss	NE
DH067	0 25.5	13.2 33.5	13.2 8.0	Two intervals of magnetite gneiss 34% of hole contains magnetite gneiss	NE
DH068	0	22.7 (EOH)	22.7	Hole not completed – all magnetite gneiss	NE
DH069	-	-	-	Hole not completed – no magnetite gneiss	NE
DH070	0	20.4 (EOH)	20.4	Hole not completed – all magnetite gneiss	NE
DH071	10.2	18.5	8.3	Hole not completed – 27% magnetite gneiss	NE
DH072	0	30.2 (EOH)	30.2	Hole not completed – all magnetite gneiss	NE
DH073	7.2	14.0	6.8	Hole not completed – 29% magnetite gneiss	NE
DH074	9.3 41.5	26.2 59.0	16.9 17.5	Two intervals of magnetite gneiss 53% of hole contains magnetite gneiss	NE
DH075	0	27.2 (EOH)	27.2	Hole not completed – all magnetite gneiss	NE

Note: Intersections are downhole widths and not necessarily true thicknesses.

Drillholes not completed due to poor ground conditions and rig limitations.

Assay Results

A summary of all assay results to date from Melombo East drillholes is provided below in Table 2, including holes DH044, DH046 and DH047 which were previously reported to the ASX on 11 November 2011 and 16 December 2011.

Table 2: Melombo East – Diamond Drillhole Results								
Hole	From	To	Int	Fe%	SiO ₂ %	Al ₂ O ₃ %	P%	LOI%
*DH044	33.80	149.98 EOH	116.18	26.2	48.9	5.4	0.092	0.04
Incl.	70.90	149.98 EOH	79.08	29.7	48.1	3.7	0.096	0.01
*DH046	20.00	100.46 EOH	80.46	36.6	44.6	0.2	0.103	0.04
**DH047	0	33.10	33.10	22.5	30.4	23.4	0.049	13.10
DH051	0	48.46	48.46	23.0	47.7	10.1	0.054	1.45
DH051	91.96	99.99 EOH	8.03	35.0	44.4	1.8	0.101	-1.37
DH053	0	101.66	101.66	11.9	46.8	16.0	0.052	2.15
Incl.	0	11.75	11.75	20.2	16.4	29.1	0.084	17.88

* DH044 & DH046 reported previously to ASX on 11 November 2011.

**DH047 reported previously to ASX on 16 December 2011.

Assay Method Fe, SiO₂, Al₂O₃, P by fusion XRF – OMAC Laboratory, Ireland.

LOI – Loss on Ignition at 1,000°C determined gravimetrically.

A further seven drillholes DH054, 055, 058, 060, 061, 064 and 066 have been sent for assay and will be reported when received.

Review

A geological and geochemical review of the 34 hole drilling programme is currently underway incorporating; geological logging, magnetite bearing gneiss content, laboratory assays, Niton XRF readings and magnetic susceptibility readings. This data will be compared to the geophysical modelling to assist future drillhole targeting.

The man portable rigs have achieved their goal of identifying areas with significant magnetite bearing gneiss and providing an initial indication of the dimensions of these bodies. Legend will now undertake deeper testing of the magnetite bodies using the new track mounted diamond drilling rig.

2. MT GIBSON PROJECT

Legend announced that the sale of the Mt Gibson Gold Project to Extension Hill Pty Ltd settled on 13 March 2012.

Legend received \$6.8M cash after adjustments for outgoings, employee benefits and storm damage allowance.

On 20 February 2012 a severe storm caused damage to the improvements and the parties agreed to deduct \$250,000 from the purchase price until arrangements for repairs to the damage are finalised. Legend has the improvements covered by insurance and once the insurance claim is agreed and the method and cost for the repairs is agreed between the parties, Legend will be responsible for the cost of the repairs and the \$250,000 will be paid to Legend.

Legend also received \$1.4M being the term deposit which secured the environmental bonds for the project.

3. PILBARA PROJECT

Extension of settlement date

As announced to the ASX on 30 August 2011 Legend signed a Sale Agreement over its Pilbara Project tenements, including the sale of its wholly owned subsidiary Armada Mining Limited, with a wholly owned subsidiary of Karratha Metals Limited ("KML"). The sale is conditional upon KML successfully completing a capital raising and obtaining approval to list on the Australian Securities Exchange and the consideration is 10,000,000 fully paid shares in KML. KML and Legend have agreed to extend the settlement date to 15 June 2012 and KML has paid Legend an extension fee of \$50,000, per the Sale Agreement, on 15 December 2011.

Mt Marie JV (Legend 40% earning 70% from Fox Radio Hill PL)

No activity to report.

Competent Persons Statements

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.

APPENDIX 1: Full Details of Diamond Drilling Programme - Melombo East Prospect

Hole ID	Easting	Northing	Dip/Azimuth	Final Depth
DH042	686065	373167	-60/135	16.5*
DH043	686398	372915	-90/000	96.0
DH044	685676	372406	-90/000	150.0
DH045	686082	373171	-90/000	30.0*
DH046	685435	371695	-90/000	100.4
DH047	685664	371930	-90/000	84.0
DH048	685351	371421	-90/000	100.4
DH049	684773	370886	-90/000	100.6
DH050	684313	371615	-90/000	15.2*
DH051	684305	371618	-90/000	100.0
DH052	684660	371511	-90/000	89.1
DH053	685020	371068	-90/000	101.6
DH054	684578	372111	-90/000	100.5
DH055	684834	371194	-90/000	100.5
DH056	684470	370806	-90/000	100.5
DH057	684276	371538	-90/000	101.3
DH058	684683	371342	-90/000	102.0
DH059	684482	371424	-90/000	30.2*
DH060	685301	371914	-90/000	104.9
DH061	686455	373419	-90/000	77.3
DH062	686081	373115	-90/000	89.2
DH063	686664	373539	-90/000	30.2*
DH064	687128	373680	-90/000	100.5
DH065	687221	373550	-90/000	25.7*
DH066	686919	373420	-90/000	77.1*
DH067	686827	372640	-90/000	69.0
DH068	687082	372798	-90/000	22.7*
DH069	687140	372896	-90/000	30.2*
DH070	687188	373095	-90/000	20.4*
DH071	686620	372589	-90/000	30.2*
DH072	687288	373033	-90/000	30.2*
DH073	687454	373376	-90/000	30.0*
DH074	687095	373274	-90/000	65.4
DH075	687385	373012	-90/000	27.2*
Total				2,349

* Drillhole abandoned due to poor ground conditions and rig limitations.

Drilling utilised an Ingetrol man portable diamond drilling rig – HQ and NQ core sizes.

Co-ordinates: Universal Transverse Mercator WGS84, Zone 32, Northern Hemisphere.