



MARCH 2005 QUARTERLY REPORT

HIGHLIGHTS

- Spectacular Gold Results From New Premium and Gulliver Lodes at Gidgee
- Focus on Exploration Drilling Gives Early Success
- Sherwood and Golden Hind RAB Reconnaissance Targets Show Promise
- Base Metal Exploration Underway for World-Class Deposits
- \$5 Million Raised by Placements/SPP
- Mineral Resources of 320,000oz as at 31 December 2004
- Creasy Group Deal Approved by Shareholders
- Mine/Mill Moved to Care & Maintenance
- Gold Production 6,860oz, Revenue \$3.7 million

1. OVERVIEW

Spectacular RC (reverse circulation) drilling results at Gidgee were reported during February and March 2005, with two new high grade gold lodes discovered near the Swan Bitter mine. This new exploration success has continued through April, and results are being reported on a regular basis as they are received.

Legend's decision during the quarter to place the mine and mill on temporary care and maintenance and use all available resources to implement major drilling programmes has clearly been justified by this early and significant exploration success.

Currently there are 3 drill rigs on site. Results have confirmed the high-grade and extensive nature of gold mineralisation at Gidgee (see ASX releases on Legend's website at www.legendmining.com.au for full details).

Following overwhelming shareholder approval of the acquisition of Gidgee Resources and its large tenement holding at a General Meeting on 10th January, Legend now controls almost all of the Gidgee greenstone belt which lies between Sandstone and Meekatharra and has produced about 1.5 million ounces of gold.

Legend believes this significant consolidation has the potential to propel the Gidgee Gold Project into one of Australia's major exploration plays and ultimately, a major gold producer.

Gold production from the Swan Bitter underground gold mine for the quarter was 12% above forecast at 6,860 ounces. The operation has been scaled down during the reporting period and was moved to temporary suspension at the end of March 2005.

Mining and milling will be resumed when substantial resources and ore reserves have been delineated by the aggressive drilling programmes which are currently underway.

2. RC DRILLING SUCCESS CONTINUES, GIDGEE MINE AREA

Since commencement of RC drilling programmes in mid January 2005, Legend has completed 10,715 metres for 43 holes to the end of March. Results for holes GDC011-043 were reported during the period, with many spectacular high grade intervals reported from both Swift and North Swan Bitter.

During April further results have been reported, up to hole GDC068. Two RC rigs capable of drilling +500 metre deep holes are currently on site, together with a RAB (rotary air blast)/aircore rig.

Drilling at Gidgee will continue with three rigs, and results will routinely continue to be reported on an ongoing basis over the next 6 to 9 months.

SWIFT LINE: Initial RC drilling in 2005 was beneath the Swift line of shallow oxide open pits, some 500 metres east of the main Swan Bitter mine. The target was a series of stacked quartz-gold high grade lodes, similar to those mined in the Swan Bitter-Butcherbird open pit and underground mines.

As previously reported, the size of this exploration target is considered to be at least one million ounces of gold, from near-surface to depths of 400 metres.

This statement is based on strong geological similarities intersected to date, between the Swift gold mineralisation and Swan Bitter – Butcherbird mined lodes with regard to host rock lithologies, alteration styles, high gold grades, interpreted geometry of the quartz lodes intersected and overall structural setting.

The first three holes of the 2005 RC programme included intercepts of **10 metres at 5.7g/t gold** (including **3 metres at 15.2g/t gold**) in GDC011, **3 metres at 9.8g/t gold** (including **1 metre at 10.8g/t gold**) in GDC012 and **8 metres at 9.2g/t gold** (including **4 metres at 16.5 g/t gold**) in GDC013 together with **2 metres at 13.5g/t gold** and **1 metre at 64.3g/t gold** further downhole.

Some of the better intercepts in subsequent holes at Swift to the end of March include **16 metres at 4.0g/t gold** (GDC018), **2 metres at 17.1g/t gold** (GDC019), **10 metres at 4.5g/t gold** (including **2.0 metres at 16.0g/t gold** (GDC024) **15 metres at 8.5g/t gold** (including **3 metres at 32.7g/t gold** (GDC027), **5 metres at 15.1g/t gold** (including **2 metres at 33.8g/t gold** (GDC028), and **12 metres at 9.5g/t gold** including **4 metres at 23.2g/t gold** (GDC039, 4m composite samples).

Since the end of the reporting period, additional high grade gold results have continued to be received and reported from Swift. In mid April, Legend announced discovery of the Gulliver lode, a gently east-dipping broad mineralised zone which is open to the north, south and east.

Gulliver lies just below the eastern flanks of the Swift pit, between 70 and 110 metres depth, and within weathered mafic rocks which could potentially be mined from surface through cut-back of existing shallow oxide pits.

NORTH SWAN BITTER – TNA/PREMIUM LODGE: Drilling in late 2004 of holes GDC001-010 targeted on the TNA lode returned some excellent gold results. Geological interpretation and further drilling during the quarter has shown that some of these intercepts lie within the Premium Lode, a newly defined high grade tabular lode structure to the east of the deeper TNA target.

As recently announced, the Premium Lode has now been identified over 300 metres strike length north-south and 200 metres down dip. It is open both at depth and along strike, and drilling to test a further 800 metres of strike potential will start next week.

The Premium Lode attains a true thickness of 12 metres on Section 50275m N, some 175 metres north of existing Swan Bitter underground workings. Hole GDC058 was drilled earlier this month to test 50 metres below a previous intercept of **13 metres at 19.5g/t gold** in GDC044. Provisional results have returned **16 metres at 30.2g/t gold** including **8 metres at 57.8g/t gold** from 4 metre composite samples.

Other high grade intercepts from the Premium Lode reported between January and March 2005 include **20 metres at 4.5g/t gold** (GDC006), **5 metres at 15.4g/t gold** (GDC029), **11 metres at 17.8g/t gold** including **2 metres at 73.8g/t gold** (GDC030) and **12 metres at 7.1g/t gold** (GDC047, 4m composite samples).

3. REGIONAL EXPLORATION FOR GOLD, BASE METALS

Legend also completed nearly 13,000 metres of reconnaissance RAB (rotary air blast) and aircore drilling in 190 holes during the quarter, on regional targets as far as 10 kilometres from the mine. Follow-up and infill work on these targets is ongoing, and RAB drilling will continue to generate and test for large-scale mineralised systems.

This exploration has greatly extended knowledge of geology and structure of the Gidjee greenstone belt away from the mine area, leading to revision and expansion of the area of potential host rock mafics. Significant gold associated with quartz veining has been intersected at Golden Hind and Sherwood, including **4 metres at 1.43g/t gold** (SHA017), **4 metres at 1.29g/t gold** (SHA023) and **4 metres at 1.07g/t gold** (GHA014).

Exploration for copper-zinc deposits of Golden Grove style has commenced at Altair and Bevan, 24 kilometres north and 11 kilometres southeast from Swan Bitter. Construction and evaluation of a digital database of previous base metal drilling and sample data is in progress, and field mapping and selection of drill targets is planned.

4. CORPORATE

Company Secretary Andrew Chapman was appointed a Director of Legend for an interim period, pending the appointment of a new Executive Director to replace Murray McDonald who will consult to the company he founded.

As previously reported in the December quarterly, a placement and share purchase plan have been completed raising \$5 million.

A further placement of 20 million shares at 10.77 cents and 14 million unlisted free options exercisable at 20 cents each with a two year expiry date, has been placed through Findlay & Co Stockbrokers with London institutional client Maple Leaf Capital, raising an additional \$2,154,000. This placement was finalised on 22nd April, 2005.

All funds will be used to support the current drilling programmes at Gidjee and for working capital.

Legend's Annual General Meeting will be held on the 30th May 2005 at 50 Colin Street, West Perth. Details are being posted to all shareholders, together with the 2004 Annual Report.

5. GOLD PRODUCTION

Operating statistics for the quarter ending 31 December 2004 are as follows:

Detail	Mar 2005 Qtr	2005 Year	Units
Ore Mined (Swan Bitter u/g)	25,070	25,070	wet tonnes
Ore Grade	7.77	7.77	g/t Au
Low Grade Stocks drawn	5,315	5,315	wet tonnes
Ore Grade	0.58	0.58	g/t Au
Ore Processed	30,631	30,631	dry tonnes
Head Grade (calculated)	6.61	6.61	g/t Au
Recovery	98.1	98.1	%
Gold Produced	6,860	6,860	ounces
Production Cost Statement			
Net Cash Costs	612	612	\$/oz
Inventory Movements	(53)	(53)	\$/oz
Cash Operating Costs	558	558	\$/oz
Depreciation/Amortisation	13	13	\$/oz
Total Production Cost	572	572	\$/oz
<i>Costs are reported to Australian Gold Council Standard</i>			

Gold production for the quarter totalled 6,860 ounces, being 12% up on forecast. Gold production levels reflected the continued reduced/campaign milling programme which continued through January and February. Early March saw the commencement of the implementation programme for placing the mine on temporary care and maintenance.

Underground production from Swan Bitter during the quarter focused on mining of all remaining fully developed stopes. Minimal underground development was undertaken, once the decision was taken in mid January to place the mine on temporary care and maintenance. Production from underground ceased at the end of February, with the care and maintenance program for the mine being completed by March 9 culminating in locking of the portal gates. All major electrical and dewatering equipment has been removed from the mine, and the relevant authorities notified.

The care and maintenance programme in the processing plant was completed early in April with the mills being shut down, all tanks being cleaned out and the GIC recorded as gold shipped for March. Site security operations commenced early April and will continue in the near future. The Gidgee camp is now operating solely as an exploration support base, for Company geologists and drilling personnel only.

Legend's focus is now on major exploration and resource extension drilling programmes to find large gold orebodies, with the objective of adding significantly to the project's mineral resource and ore reserve base to allow full scale mining and milling to resume as soon as possible.

6. ORE RESERVES AND MINERAL RESOURCES

During the first Quarter of 2005, Legend commissioned an independent review of the Ore Reserves and Mineral Resources for the Gidgee project as at 31 December 2004. The work was carried out by Dr S Carras of Carras Mining Pty Ltd, an acknowledged expert in this field.

In compiling his report, Dr Carras took into consideration that the operation was scheduled to be placed on temporary care and maintenance effective from the end of March 2005. His review of previous estimates acknowledged that costs in the West Australian mining industry have risen by some 35%-45% over the last 15 months, while the price of gold has remained relatively fixed.

This has resulted in reclassification and downgrading of a large amount of previously reported Mineral Resources to "Mineral Inventory", which is not reported here as it falls outside the JORC Code classification but will continue to be used for internal company planning.

It is important to note that none of the excellent drilling results at Swift and North Swan Bitter/Premium Lode have been included in this resource review, as they were achieved during the first Quarter of 2005. Legend anticipates that upgraded mineral resource estimates for these projects will be reported during the coming year.

GIDGEE GOLD PROJECT ORE RESERVES AT 31 DECEMBER 2004

Project	JORC Classification	Tonnes	Grade (g/t Au)	Ounces (gold)	Comments
Swan Bitter Underground	Proved	27,000	10.42	9,046	Estimated from the model
	Proved	25,000	7.77	6,263	Produced from 1/1/05
Total	Proved	52,000	9.14	15,309	
Swan Bitter Underground	Probable	3,000	11.52	1,111	
TOTAL	PROVED + PROBABLE	55,000	9.29	16,420	

**GIDGEE GOLD PROJECT MINERAL RESOURCES AT 31 DECEMBER 2004
(INCLUDING ORE RESERVES)**

Project	JORC Classification	Tonnes	Grade (g/t Au)	Ounces (gold)	Comments
Swan Bitter Underground	Measured	27,000	10.42	9,046	Estimated from the model
	Measured	25,000	7.77	6,263	Produced from 1/1/05
Total	Measured	52,000	9.14	15,309	
Swan Bitter Underground	Indicated	29,000	10.71	9,987	Recoverable
Omega Underground	Indicated	31,000	9.20	9,170	Below 385m RL
Wilsons Underground	Indicated	448,000	7.30	105,158	Diluted; above 370mRL; refractory
Open Pit					
Howards	Indicated	50,000	3.79	6,093	Based on Pit Shells & Designs
Eagles Peak	Indicated	13,000	3.46	1,446	
Orion	Indicated	22,000	3.04	2,150	
Deep South	Indicated	20,000	3.02	1,942	
Toedter	Indicated	41,000	3.38	4,456	
Specimen Well	Indicated	24,000	5.35	4,129	
Total	Indicated	678,000	6.63	144,532	
Swan Bitter Underground	Inferred	65,000	7.96	16,637	Recoverable
Wilsons Underground	Inferred	286,000	6.40	58,855	Diluted; below 370m RL; refractory
Kingfisher Underground	Inferred	390,000	6.80	85,273	
Total	Inferred	741,000	6.75	160,765	
TOTAL (MEASURED, INDICATED+ INFERRED)		1,471,000	6.78	320,506	

*** These Mineral Resource Estimates at 31 December 2004 do not include any of the new 2005 drilling results from Swift/Gulliver or North Swan Bitter/Premium Lode.**

The information on Ore Reserves and Mineral Resources at Gidgee contained in this report is based on data compiled by consulting geologist Dr S Carras FAusIMM of Carras Mining Pty Ltd. Dr Carras has sufficient experience which is relevant to 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.

6. MUNNI MUNNI JOINT VENTURE (LEGEND 33.33%)

In January, joint venture managers East Coast Minerals announced some analytical results from a short eight hole drilling programme at Munni Munni, in the West Pilbara of Western Australia.

Best results from Hole 6 at the new Liane occurrence, near the former silver mine at Elizabeth Hill, were reported as 6 metres at 1.4% combined copper+nickel+cobalt from 34m downhole, including 1 metre at 2.0% combined from 38m.

East Coast believes the discovery represents the top of a linear sulphide flow near the base of the Munni Munni complex and as such is possibly similar to the mineralised structures in the nearby Radio Hill nickel mine.

Plans for further drilling, to test down plunge extensions and three other targets, were also announced.

7. KARRATHA GOLD AND BASE METAL PROJECT, WEST PILBARA

This project covers about 625 square kilometres of the West Pilbara greenstone belt between Karratha, Roebourne and Radio Hill and has significant potential for gold, copper, nickel and other metals. Further review and prospecting work was carried out during the quarter, and follow up field work has been planned.

Ian Cowden
Director

29th April, 2005

The information on exploration results contained in this report is based on data compiled by consulting geologist Mr Ian Cowden FAusIMM CPGeo MAIG of Iana Pty Ltd. Mr Cowden has sufficient experience which is relevant to 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.