

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-QSB

(Mark one)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2006 or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the transition period from _____ to _____
Commission File Number 000-32551

LEGEND INTERNATIONAL HOLDINGS INC.

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organisation)

233067904
(IRS Employer
Identification No.)

Level 8, 580 St. Kilda Road, Melbourne, Victoria, 3004 Australia
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code 011 (613) 8532 2866

Indicate by check mark whether the Registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No _____

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 126.2 of the Exchange Act).

Yes _____ No

APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. There were 18,067,750 outstanding shares of Common Stock as of March 31, 2006.

Transitional Small Business Disclosure Format (Check one) Yes _____ No

Table Of Contents

| | <u>PAGE NO</u> |
|---|-----------------------|
| PART I. FINANCIAL INFORMATION | |
| Item 1 Financial Statements | 2 |
| Item 2 Management's Discussion and Analysis or Plan of Operations | 11 |
| Item 3 Controls and Procedures | 12 |
| PART II OTHER INFORMATION | |
| Item 1 Legal Proceedings | 14 |
| Item 2 Changes in Securities and Use of Proceeds | 14 |
| Item 3 Defaults Upon Senior Securities | 14 |
| Item 4 Submission of Matters to a Vote of Security Holders | 14 |
| Item 5 Other Information | 14 |
| Item 6 Exhibits | 14 |
| SIGNATURES | 15 |
| EXHIBIT INDEX | 16 |
| Exh. 31.1 Certification | 17 |
| Exh. 31.2 Certification | 19 |
| Exh. 32.1 Certification | 21 |
| Exh. 32.2 Certification | 22 |

Item 1. FINANCIAL STATEMENTS

Introduction to Interim Financial Statements.

The interim financial statements included herein have been prepared by Legend International Holdings, Inc. ("Legend International" or the "Company") without audit, pursuant to the rules and regulations of the Securities and Exchange Commission (The "Commission"). Certain information and footnote disclosure normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures are adequate to make the information presented not misleading. These interim financial statements should be read in conjunction with the financial statements and notes thereto included in the Company's Annual Report on Form 10-KSB for the year ended December 31, 2005.

In the opinion of management, all adjustments, consisting of normal recurring adjustments and consolidating entries, necessary to present fairly the financial position of the Company and subsidiaries as of March 31, 2006, the results of its operations for the three month periods ended March 31, 2006 and March 31, 2005, and the changes in its cash flows for the three month periods ended March 31, 2006 and March 31, 2005, have been included. The results of operations for the interim periods are not necessarily indicative of the results for the full year.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

UNLESS OTHERWISE INDICATED, ALL FINANCIAL INFORMATION PRESENTED IS IN U.S. DOLLARS.

LEGEND INTERNATIONAL HOLDINGS, INC.
(A Development Stage Company)
Balance Sheet
March 31, 2006
(Unaudited)

| | <u>US\$</u> |
|--|-------------|
| ASSETS | |
| Current Assets: | |
| Cash | - |
| Total Current Assets | - |
| Total Assets | - |
| LIABILITIES | |
| Current Liabilities: | |
| Accounts Payable and Accrued Expenses | 11,502 |
| Total Current Liabilities | 11,502 |
| Non Current Liabilities: | |
| Long-Term Advance Affiliates | 76,413 |
| Total Non Current Liabilities: | 76,413 |
| Total Liabilities | 87,915 |
| STOCKHOLDERS' EQUITY (DEFICIT) | |
| Preferred Stock | |
| \$.001 par value, 20,000,000 shares authorized | |
| no shares issued and outstanding | |
| Common Stock | |
| \$.001 par value, 100,000,000 shares authorized | |
| 18,067,750 issued and outstanding | 18,068 |
| Additional Paid-in-Capital | 513,251 |
| Retained Deficit during the Development Period | (619,234) |
| Total Stockholders' Equity (Deficit) | (87,915) |
| Total Liabilities and Stockholders' Equity (Deficit) | - |

The accompanying notes are an integral part of these consolidated financial statements.

LEGEND INTERNATIONAL HOLDINGS, INC.
(A Development Stage Company)
Statements of Operations
(Unaudited)

| | For the three months Ended March 31 | | January 5, 2001 (Inception) to March 31, |
|--|--|---------------------|--|
| | 2006 <u>US\$</u> | 2005 <u>US\$</u> | 2006 <u>US\$</u> |
| Revenues: | | | |
| Sales | - | - | 4,875 |
| less Cost of Sales | - | - | 1,045 |
| | <hr/> | | |
| Gross Profit | - | - | 3,830 |
| Other Income | | | |
| Interest Income | - | - | 1,493 |
| | <hr/> | | |
| | - | - | 5,323 |
| <hr/> | | | |
| Costs and Expenses: | | | |
| Legal, accounting & professional | 6,148 | 8,397 | 41,484 |
| Stock Based compensation | - | - | 503,300 |
| Interest expense | 1,312 | - | 7,884 |
| Administration expenses | 14,464 | 11,287 | 75,057 |
| | <hr/> | | |
| Total Expenses | 21,924 | 19,684 | 627,725 |
| | <hr/> | | |
| (Loss) from operations | (21,924) | (19,684) | (622,402) |
| Foreign currency exchange gain | 2,137 | 58 | 3,168 |
| (Loss) before income taxes | (19,787) | (19,626) | (619,234) |
| | <hr/> | | |
| Provision for Income Tax | - | - | |
| | <hr/> | | |
| Net Income (Loss) | (19,787) | (19,626) | (619,234) |
| | <hr/> | | |
| Basic and Diluted (Loss) Per Common Equivalent Shares | (0.00) | (0.00) | (0.07) |
| | <hr/> | | |
| Weighted Average Number of Common Equivalent Shares Outstanding | 18,067,750 | 10,474,000 | 8,248,750 |
| | <hr/> | | |

The accompanying notes are an integral part of these
consolidated financial statements

LEGEND INTERNATIONAL HOLDINGS, INC.
(A Development Stage Company)
Statements of Stockholders' Equity (Deficit)
for the period ended March 31, 2006

| | Common Stock | | | Retained | Stockholders' Equity (Deficit) US\$ |
|--|--------------|------------------------------|--|---|---|
| | Shares | \$0.001 Par Value US\$ | Additional Paid-In Capital US\$ | (Deficit) During the Development Period US\$ | |
| Balance, January 5, 2001 | - | - | - | - | - |
| Shares issued to founder for organisation cost and services at \$0.05 per shares | 1,910,000 | 1,910 | 93,590 | | 95,500 |
| Shares Issued for services rendered at \$0.05 per share | 65,000 | 65 | 3,185 | | 3,250 |
| Shares Issued for Cash | 274,000 | 274 | 13,426 | | 13,700 |
| Net Loss | | | | (100,852) | (100,852) |
| Balance, December 31, 2001 | 2,249,000 | 2,249 | 110,201 | (100,852) | 11,598 |
| Shares Issued for Cash | 100,000 | 100 | 4,900 | | 5,000 |
| Shares Issued for Officer's Compensation | 5,000,000 | 5,000 | 120,000 | - | 125,000 |
| Net Loss | | | | (140,154) | (140,154) |
| Balance, December 31, 2002 | 7,349,000 | 7,349 | 235,101 | (241,006) | 1,444 |
| Shares Issued for services rendered at \$.05 per share | 2,234,000 | 2,234 | 109,466 | | 111,700 |
| Net Loss | | | | (120,456) | (120,456) |
| Balance, December 31, 2003 | 9,583,000 | 9,583 | 344,567 | (361,462) | (7,312) |
| Shares Issued for services rendered at \$0.05 per share | 891,000 | 891 | 43,659 | - | 44,550 |
| Options Issued for services | - | - | 123,300 | - | 123,300 |
| Loan forgiveness-former major shareholder | - | - | 9,319 | | 9,319 |
| Net Loss | - | - | - | (180,040) | (180,040) |
| Balance, December 31, 2004 | 10,474,000 | 10,474 | 520,845 | (541,502) | (10,183) |
| Shares issued on cashless exercise of options | 7,593,750 | 7,594 | (7,594) | - | - |
| Net Loss | - | - | - | (57,945) | (57,945) |
| Balance, December 31, 2005 | 18,067,750 | 18,068 | 513,251 | (599,447) | (68,128) |
| Net Loss | - | - | - | (19,787) | (19,787) |
| Balance, March 31, 2006 | 18,067,750 | 18,068 | 513,251 | (619,234) | (87,915) |

The accompanying notes are an integral part of these consolidated financial statements

LEGEND INTERNATIONAL HOLDINGS, INC.
(A Development Stage Company)
Statements of Cash Flows
(Unaudited)

| | For the three months Ended March 31 | | January 5, 2001 (Inception) to March 31, |
|---|--|---------------------|--|
| | 2006 <u>US\$</u> | 2005 <u>US\$</u> | 2006 <u>US\$</u> |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net (Loss) | (19,787) | (19,626) | (619,234) |
| Adjustments to reconcile net loss to net cash provided (used) by operating activities: | | | |
| Foreign exchange | (2,137) | (58) | (3,168) |
| Shares and Options Issued for Stock Based Compensation | - | - | 503,300 |
| Accrued interest added to principal | 1,312 | - | 3,217 |
| Net Change in: | | | |
| Accounts Payable and Accrued Expenses | (8,838) | 8,066 | 16,232 |
| Net Cash (Used) in Operating Activities | (29,450) | (11,618) | (99,653) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayment of Convertible Debenture | - | - | (100,000) |
| Repayment of Shareholder Advance | - | - | (492) |
| Proceeds from Convertible Debenture Payable | - | - | 100,000 |
| Shareholder Advance | - | - | 5,081 |
| Proceeds from Issuance of Stock | - | - | 18,700 |
| Net Borrowing from Affiliates | 29,450 | 11,618 | 76,364 |
| Net Cash Provided for Financing Activities | 29,450 | 11,618 | 99,653 |
| Net Increase/(Decrease) in Cash | - | - | - |
| Cash at Beginning of Period | - | - | - |
| Cash at End of Period | - | - | - |
| Supplemental Disclosures: | | | |
| Cash Paid for interest | - | - | - |
| Cash Paid for income taxes | - | - | - |
| Stock and Options Issued for Services | - | - | 503,300 |
| Accrued interest and stockholder Advances charged to paid in capital | - | - | 9,319 |

The accompanying notes are an integral part of these
consolidated financial statements

LEGEND INTERNATIONAL HOLDINGS, INC.
Notes to Financial Statements March 31, 2006

1. ORGANISATION AND BUSINESS

Legend International Holdings, Inc., formerly Sundew International, Inc. ("the Company"), was incorporated under the laws of the State of Delaware on January 5, 2001.

The Company has never generated any significant revenues from operations and is still considered a development stage company. The Company was initially formed to engage in the business of selling compatible inkjet cartridges and refill kits on the Internet for the consumer printer market. In March 2003, management of the Company decided to engage in the business of building and acquiring controlling or other interests in one or more companies engaged in the contract sales and distribution of specialty medical products, and raise additional capital for this purpose. Neither business was successful and operations of both were eventually discontinued. During fiscal 2004, management of the Company developed a plan of operations to acquire income-producing real property. The Company did not acquire any properties pursuant to such plan.

Following a change of management in November 2004, the Company developed a new plan of operations for fiscal 2006, which is to engage in mineral exploration and development activities. Legend's current business plan calls for the identification of mineral properties, in South America and other parts of the world, where it can obtain secure title to exploration, development and mining interests. The Company's preference is to identify large gold deposits with low operating costs. The Company is prepared to consider the exploration, development and mining of profitable base metal interests.

The Company's financial statements are prepared using generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. However, the Company has incurred net losses since its inception and has experienced liquidity problems that raises substantial doubt about its ability to continue as a going concern. The stockholders/officers and or directors have committed to advancing operating costs of the Company to insure that the Company has enough operating capital over the next twelve months.

Development Stage Enterprise

The Company is a development stage enterprise, as defined in the Statement of Financial Accounting Standards No. 7 "Accounting and Reporting by Development Stage Enterprises". The Company is devoting all of its present efforts in securing and establishing a new business, and its planned principal operations have not commenced, and, accordingly, no revenue has been derived during the organizational period.

2. COMMON STOCK

In January 2001, 1,910,000 common shares were issued to the Company's founder for organization cost valued at \$95,500, and 65,000 common shares were issued to a related party in exchange for consulting fee valued at \$3,250.

In March 2002, 5,000,000 common shares were issued to the Company's founder in exchange for present and future services valued at \$125,000.

In April 2002, the Company closed its offering under its registration statement filed with the United States Securities and Exchange Commission to sell up to 2,000,000 shares of its common stock at \$0.05 per share, which became effective on April 11, 2001. The Company sold 374,000 shares (274,000 shares in 2001 and a further 100,000 shares in 2002) of its common stock under the offering.

In 2003, a total of 2,234,000 common shares were issued to the Company's sole officer and director for services valued at \$111,700 or \$.05 per share.

LEGEND INTERNATIONAL HOLDINGS, INC.
Notes to Financial Statements March 31, 2006

2. COMMON STOCK (CONTINUED)

In 2004, a total of 891,000 common shares were issued to the Company's former sole officer and director for services valued at \$44,550 or \$0.05 per share.

In December 2004, the Company issued to Renika Pty Limited ("Renika"), a company associated with Mr J I Gutnick, 9,000,000 options to be converted into 9,000,000 shares of common stock, at an exercise price of \$0.05 and a latest exercise date of December 2009 for services to be rendered to the Company. The Company undertook a Black Scholes valuation of these options using a \$0.05 exercise price, \$0.05 market price, 5 year life, risk free interest rate of 5.155% and a volatility of 16.7%. The 9,000,000 options were valued at \$123,300 or \$0.0137 each.

The stock options were issued for services rendered, to be rendered and for agreeing to provide financial assistance to the Company (not the actual provision of financial assistance). The issue of the stock options was not contingent upon any further services or events. The stock options are not forfeitable if the services or financial assistance are not provided. Accordingly, the value of the stock options was expensed immediately during 2004.

In September 2005, Renika exercised the 9,000,000 options using the cashless exercise feature and were issued 7,593,750 shares of common stock.

Effective as of December 12, 2005, the Board of Directors of Company approved the distribution to all stockholders for no consideration of an aggregate of 36,135,500 non-transferable options, each of which is exercisable to purchase one share of common stock of the Company at an exercise price of 25 cents per share with a latest exercise date of December 31, 2012. The options were issued on a pro-rata basis to all stockholders of record on December 31, 2005 on the basis of two (2) options for every one (1) share of common stock owned by a stockholder on the record date. The options may not be exercised until the shares underlying the options are registered under federal and state securities laws.

3. LONG-TERM ADVANCE – AFFILIATE

| | US\$ <u>2005</u> |
|--|---------------------|
| Loan from AXIS Consultants, a corporation affiliated with the President of the Company. Interest accrued at the rate of 9.35% per annum being the "Reference Rate" of the ANZ Banking Group Ltd. | 57,147 |
| Loan from Wilzed Pty Ltd, a corporation affiliated with the President of the Company. Interest accrued at 9.35% per annum. | 19,266 |
| | <hr/> |
| | 76,413 |
| | <hr/> |

Each of the above affiliates has agreed not to call up the loans prior to December 31, 2006.

4. AFFILIATE TRANSACTIONS

The Company issued unregistered common stock to its former President between 2001 and 2004, in exchange for services as President, Secretary and Treasurer, and to non management consultants in exchange for their services which was based on the Company's expected initial offering price of \$0.05 per share, has been reflected as organization costs, consulting services and web site development cost in the accompanying statements of operations. These shares were issued under Section 4(2) of the Securities Act of 1933, as amended, and are subject to the resale provisions of Rule 144 and may not be sold or

LEGEND INTERNATIONAL HOLDINGS, INC.
Notes to Financial Statements March 31, 2006

4. AFFILIATE TRANSACTIONS (CONTINUED)

transferred without registration except in accordance with Rule 144. Certificates representing the securities bear such a legend.

As of December 31, 2003, the Company owed the former sole officer, director and majority shareholder an outstanding balance of \$5,081 for expenses incurred on its behalf. The advance was non-interest bearing and no interest had been accrued. During 2004, a former officer, director and majority shareholder incurred expenses on behalf of the Company amounting to \$1,236. At November 2004, the amount owed to the former officer, director and majority shareholder amounted to \$6,317. The Company paid \$1,665 and the former officer, director and majority shareholder forgave the balance of \$4,652.

This amount, along with \$4,667 of accrued and unpaid interest on the convertible note at January 1, 2004 was forgiven and had been reflected as a credit to additional paid in capital during 2004.

The Company is one of five affiliated companies of which three are Australian public companies listed on Australian Stock Exchange. Each of the companies have some common Directors, officers and shareholders. In addition, each of the companies is substantially dependent upon AXIS for its senior management and certain mining and exploration staff. A number of arrangements and transactions have been entered into from time to time between such companies. It has been the intention of the affiliated companies and respective Boards of Directors that each of such arrangements or transactions should accommodate the respective interest of the relevant affiliated companies in a manner which is fair to all parties and equitable to the shareholders of each. Currently, there are no material arrangements or planned transactions between the Company and any of the other affiliated companies other than AXIS.

AXIS is paid by each company for the costs incurred by it in carrying out the administration function for each such company. Pursuant to the Service Agreement, AXIS performs such functions as payroll, maintaining employee records required by law and by usual accounting procedures, providing insurance, legal, human resources, company secretarial, land management, certain exploration and mining support, financial, accounting advice and services. AXIS procures items of equipment necessary in the conduct of the business of the Company. AXIS also provides for the Company various services, including but not limited to the making available of office supplies, office facilities and any other services as may be required from time to time by the Company as and when requested by the Company.

The Company is required to reimburse AXIS for any direct costs incurred by AXIS for the Company. In addition, the Company is required to pay a proportion of AXIS's overhead cost based on AXIS's management estimate of our utilisation of the facilities and activities of AXIS plus a service fee of not more than 15% of the direct and overhead costs. AXIS has not charged the 15% service fee to the Company. Amounts invoiced by AXIS are required to be paid by the Company. The Company is also not permitted to obtain from sources other than AXIS, and the Company is not permitted to perform or provide itself, the services contemplated by the Service Agreement, unless the Company first requests AXIS to provide the service and AXIS fails to provide the service within one month.

The Service Agreement may be terminated by AXIS or the Company upon 60 days prior notice. If the Service Agreement is terminated by AXIS, the Company would be required to independently provide, or to seek an alternative source of providing, the services currently provided by AXIS. There can be no assurance that the Company could independently provide or find a third party to provide these services on a cost-effective basis or that any transition from receiving services under the Service Agreement will not have a material adverse effect on us. The Company's inability to provide such services or to find a third party to provide such services may have a material adverse effect on our operations.

LEGEND INTERNATIONAL HOLDINGS, INC.
Notes to Financial Statements March 31, 2006

4. AFFILIATE TRANSACTIONS (CONTINUED)

In accordance with the Service Agreement AXIS provides the Company with the services of the Company's Chief Executive Officer, Chief Financial Officer and clerical employees, as well as office facilities, equipment, administrative and clerical services. The Company pays AXIS for the actual costs of such facilities plus a maximum service fee of 15%.

In December 2004, the Company entered into an agreement with AXIS Consultants Pty Ltd to provide geological, management and administration services to the Company. AXIS is affiliated through common management. During the three months ended March 31, 2006, AXIS provided these services and charged the Company \$10,611 for direct costs and \$4,696 for indirect costs incurred on behalf of the Company and charged interest of \$1,091 on the outstanding balance and there was an exchange gain on the outstanding balance of \$1,532. The amount owed to AXIS at March 31, 2006 amounted to \$57,417.

In December 2004, the Company issued Renika, a company associated with Mr J I Gutnick, 9,000,000 options to be converted into 9,000,000 shares of common stock, at an exercise price of 5 cents and a latest exercise date of December 2009 for services to be rendered to the Company. The Company undertook a Black and Scholes valuation of these options using a 5 cent exercise price, 5 cent market price, 5 year life, risk free interest rate of 5.155% and a volatility of 16.7%. This valued the 9,000,000 options at \$123,300 or 1.37 cents each. In September 2005, Renika exercised the 9,000,000 options using the cashless exercise feature and were issued with 7,593,750 shares of common stock.

During the three months ended March 31, 2006, Wilzed Pty Ltd ("Wilzed"), a company associated with the President and CEO of the Company, Joseph Gutnick, paid expenses on behalf of the Company. Wilzed loaned the company \$14,106 and charged interest of \$221 on the outstanding balance and there was an exchange loss on the outstanding balance of \$791. At March 31, 2006, the Company owed Wilzed \$19,266.

5. RECENT ACCOUNTING PRONOUNCEMENTS

In December 2004, the FASB issued a revised Statement 123 ("SFAS 123R"), "Accounting for Stock-Based Compensation" requiring public entities to measure the cost of employee services received in exchange for an award of equity instruments based on grant date fair value. The cost will be recognized over the period during which an employee is required to provide service in exchange for the award – usually the vesting period. The effective date for this statement is as of the first interim period that begins after December 15, 2005 for small business filers. The adoption of this standard will require the Company to record equity instruments at fair value and accordingly could have a material impact on our financial statements depending on the nature and terms of the equity instruments.

At December 31, 2005 there were no unvested options outstanding and no options were issued during the first quarter of 2006.

6. POTENTIAL ACQUISITION

Effective as of March 3, 2006, Legend International Holdings, Inc, a Delaware corporation (the "Company") entered into a Contract for the Sale of Mining Tenements ("Contract") with Astro Diamond Mines N.L. ("Astro") an Australian company pursuant to which the Company shall acquire certain diamond mining tenements in Northern Australia from Astro, subject to the terms and conditions discussed below. The Contract is conditional on the approval of shareholders of Astro approving the sale of the tenements to Legend and this approval was given by Astro shareholders on 21 April 2006. The consideration payable by Legend to Astro is Australian dollars \$1.5 million and is payable 90 days after

LEGEND INTERNATIONAL HOLDINGS, INC.
Notes to Financial Statements March 31, 2006

6. POTENTIAL ACQUISITIONS (CONTINUED)

the approval of Astro shareholders. If Legend does not make the payment within the time period, the Contract is cancelled. At settlement, Legend is also required to pay to Astro any costs incurred on the tenements after February 1, 2006. Astro has provided commercial warranties which are usual for a transaction of this nature in favour of Legend. Astro intends to schedule a meeting of its shareholders in April 2006 to consider and vote upon the Contract. Under Australian law, Astro is required to provide an independent experts report to shareholders for this transaction. In order to prepare the independent experts report, a mineral valuation was prepared on behalf of Astro which indicated that the preferred value for the tenements the subject of the transaction was Australian dollars \$1.5 million. This formed the basis of the consideration agreed by the parties.

The President and Chief Executive Officer of the Company, Mr. J. I. Gutnick, is Chairman and Managing Director of Astro and Dr DS Tyrwhitt, an independent Director of the Company is also a Director of Astro.

The Company is currently working on funding options to provide the cash for the payment of the purchase price which may include equity or debt funding or a mixture of both.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

FUND COSTS CONVERSION

The consolidated statements of operations and other financial and operating data contained elsewhere here in and the consolidated balance sheets and financial results have been reflected in United States dollars unless otherwise stated.

RESULTS OF OPERATION

Three Months Ended March 31, 2006 vs. Three Months Ended March 31, 2005.

Costs and expenses increased from \$19,684 in the three months March 31, 2005 to \$21,924 in the three months ended March 31, 2006. The increase in expenses is a net result of:

- a) a decrease in legal, accounting and professional expense from \$8,397 for the three months ended March 31, 2005 to \$6,148 for the three months ended March 31, 2006 as a result of the decrease in legal fees in relation to regulatory filings.
- b) an increase in administrative costs including salaries from \$11,287 in the three months ended March 31, 2005 to \$14,464 in the three months ended March 31, 2006 as a result of an increase in direct costs, including salaries and indirect costs, charged to the Company by AXIS Consultants. The increase related to costs of negotiating the agreement with Astro and the preparation of regulatory filings.
- c) an increase in interest expense from \$nil for the three months ended March 31, 2005 to \$1,312 for the three months ended March 31, 2006. AXIS charged interest of \$1,091 on outstanding balances and Wilzed \$221.

As a result of the foregoing, the loss from operations increased from \$19,684 for the three months ended March 31, 2005 to \$21,924 for the three months ended March 31, 2006.

The net loss was \$19,787 for the three months ended March 31, 2006 compared to a net loss of \$19,626 for the three months ended March 31, 2005.

Liquidity and Capital Resources

As of March 31, 2006, the Company had no cash. The Company is searching for mineral properties that fit into its new plan of operations, as discussed at Item 1, "Business" of the Company's Annual Report on Form 10-KSB for the fiscal year ended December 31, 2005 and expects to spend approximately \$2,000,000 during fiscal 2006 on its new business plan, including Australian dollars \$1,500,000 in connection with the acquisition of diamond mining tenements from Astro pursuant to the Contract. In addition, it expects that it will need to spend \$100,000 on legal, professional, accounting and administration expenses. The Company will need to raise funds in cash to fund its business plan. The Company plans to satisfy its cash requirements by additional equity financing or loans. This will be in the form of private placements of restricted common stock, preferred stock or debentures. The Company may not be able to operate if it does not obtain the additional capital or financing it requires. There can be no assurance that the Company will be successful in raising such capital or financing and thus, be able to satisfy its cash requirements.

The Company's financial statements are prepared using generally accepted accounting principles applicable to a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. However, the Company has incurred net losses since its inception and has experienced liquidity problems that raise substantial doubt about its ability to continue as a going concern. Certain stockholders/officers and or directors have committed to advancing operating costs of the Company to insure that the Company has enough operating capital over the next twelve months.

The Company is still considered to be a development stage company, with no significant revenue, and is dependent upon the raising of capital through placement of its common stock, preferred stock or debentures. In the event the Company is unsuccessful in raising such capital, it may never commence active operations.

Cautionary Safe Harbor Statement under the United States Private Securities Litigation Reform Act of 1995.

Certain information contained in this Form 10-QSB's forward looking information within the meaning of the Private Securities Litigation Act of 1995 (the "Act") which became law in December 1995. In order to obtain the benefits of the "safe harbor" provisions of the act for any such forwarding looking statements, the Company wishes to caution investors and prospective investors about significant factors which among others have affected the Company's actual results and are in the future likely to affect the Company's actual results and cause them to differ materially from those expressed in any such forward looking statements. This Form 10-QSB report contains forward looking statements relating to future financial results. Actual results may differ as a result of factors over which the Company has no control including, without limitation, the risks of exploration and development stage projects, political risks of development in foreign countries, risks associated with environmental and other regulatory matters, mining risks and competition and the volatility of diamond, gold and copper prices, movements in the foreign exchange rate and the availability of additional financing for the Company. Additional information which could affect the Company's financial results is included in the Company's Form 10-KSB on file with the Securities and Exchange Commission.

Item 3. CONTROLS AND PROCEDURES

The Company's Chief Executive Officer and Chief Financial Officer conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Exchange Act Rule 13a-14 as of the end of the period covered by this report. Based upon that evaluation, such officers concluded that our disclosure controls and procedures are effective to ensure that information is gathered, analyzed and disclosed on a timely basis.

Internal Control Over Financial Reporting. There have not been any changes in the Company's internal control over financial reporting during the fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II
OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

Not Applicable

Item 2. CHANGES IN SECURITIES AND USE OF PROCEEDS

Not Applicable

Item 3. DEFAULTS UPON SENIOR SECURITIES

Not Applicable

Item 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not Applicable

Item 5. OTHER INFORMATION

Not Applicable

Item 6. EXHIBITS

| (a) | <u>Exhibit No.</u> | <u>Description</u> |
|-----|--------------------|---|
| | 31.1 | Certification of Chief Executive Officer required by Rule 13a-14(a)/15d-14(a) under the Exchange Act |
| | 31.2 | Certification of Chief Financial Officer required by Rule 13a-14(a)/15d-14(a) under the Exchange Act |
| | 32.1 | Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of Sarbanes-Oxley act of 2002 |
| | 32.2 | Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of Sarbanes-Oxley act of 2002 |

(FORM 10-QSB)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

LEGEND INTERNATIONAL HOLDINGS, INC.

By:

Handwritten signature of Joseph I. Gutnick in black ink, followed by a vertical red line.

Joseph I. Gutnick
Chairman of the Board, President and
Chief Executive Officer
(Principal Executive Officer)

By:

Handwritten signature of Peter Lee in black ink.

Peter Lee
Peter Lee, Secretary and
Chief Financial Officer
(Principal Financial Officer)

Dated May 10, 2006

EXHIBIT INDEX

| <u>Exhibit No.</u> | <u>Description</u> |
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**CERTIFICATION PURSUANT TO
SECURITIES EXCHANGE ACT RULE 13A-14(a)**

I, Joseph Gutnick, Chief Executive Officer, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Legend International Holdings, Inc. ("Registrant");
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this quarterly report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including their consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - (b) [Paragraph omitted pursuant to SEC Release Nos. 33-8238 and 34-47986]
 - (c) evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and
 - (d) disclosed in this quarterly report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors:

- (a) all significant deficiencies and material weaknesses the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information and;
- (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: May 10, 2006

Handwritten signature of J. I. Gutnick in black ink, followed by a vertical red line.

Name: Joseph I. Gutnick
Title: Chairman of the Board, President
and Chief Executive Officer

**CERTIFICATION PURSUANT TO
SECURITIES EXCHANGE ACT RULE 13A-14(a)**

I, Peter Lee, Chief Financial Officer, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Legend International Holdings, Inc. ("Registrant");
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this quarterly report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including their consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - (b) [Paragraph omitted pursuant to SEC Release Nos. 33-8238 and 34-47986]
 - (c) evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and
 - (c) disclosed in this annual report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors:

- (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

- (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: May 10, 2006

A handwritten signature in black ink, appearing to read 'Peter Lee', written in a cursive style.

Name: Peter Lee
Title: Secretary and Chief Financial Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report on Form 10-QSB of Legend International Holdings, Inc. (the "Company") for the three months ended March 31, 2006 as filed with the Securities and Exchange Commission on the date hereof (the "report"), the undersigned, Joseph Gutnick, Chief Executive Officer of the Company, certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that:

- (1) The report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the report fairly presents, in all material respects, the financial condition and result of operations of the Company.

May 10, 2006

Handwritten signature of Joseph I. Gutnick in black ink, followed by a vertical red line.

Joseph I. Gutnick
Chairman of the Board, President and
Chief Executive Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report on Form 10-QSB of Legend International Holdings, Inc. (the "Company") for the three months ended March 31, 2006 as filed with the Securities and Exchange Commission on the date hereof (the "report"), the undersigned, Peter Lee, Chief Financial Officer of the Company, certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that:

- (1) The report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Dated: May 10, 2006



Peter Lee
Director, Secretary and
Chief Financial Officer