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The Company Announcements Office
ASX Limited

Via E Lodgement

ACQUISITION OF MOUNT CELIA PROJECT TO BOOST GOLD EXPLORATION IN THE SOUTH LAVERTON REGION

Legacy Iron Ore Limited (“Legacy” or “the Company”) notifies the market that it has agreed to the terms for the purchase of the Mount Celia Project, a promising gold exploration tenement package in the South Laverton region.

The purchase extends the Company’s growing gold exploration portfolio and will provide exciting opportunities to discover new gold deposits and progress highly ranked exploration targets in the area.

The project contains a JORC compliant gold indicated resource of 1,037,000t at 1.4g/t for 46,400 ounces (at a 0.7g/t cut-off) at the Kangaroo Bore prospect. The tenement package has significant potential, with open intersections down dip at both the Kangaroo Bore and Blue Peter prospects.

Under the conditional sale agreement, Legacy is required to pay a \$10,000 cash deposit and a further \$50,000 in cash, and to issue 1,425,000 shares in the Company to Mr George Petersons, an unrelated private vendor.

Mount Celia covers an area of 25.9 km² and is located 180 kilometres north-east of Kalgoorlie. It is underlain by more than 7 km of prospective greenstone and has been subject to exploration since the 1980s, containing numerous targets with significant future potential.

Legacy Chief Executive Officer Sharon Heng said this newest addition to its gold portfolio is a significant move for the Company, one that fits within its strategic vision.

“Our aim is to explore areas where a strong potential to discover new resources has been identified, as well as to diversify our resource base to be able to take advantage of profitable opportunities,” she said.

Mount Celia is highly prospective for the discovery of new resources and the project complements the Company's existing tenement portfolio in the South Laverton region of Western Australia.

About Legacy:

Legacy Iron Ore Limited is a progressive West Australian explorer with a broad spread of interests in gold and iron. The Company has a multi-pronged exploration strategy centred around a growing portfolio of quality tenements in the Kimberley, Pilbara and Yilgarn regions of WA. The Company has recently intensified its gold program to fast-track potentially viable mining operations and capitalise on buoyant commodity prices.

Legacy Iron Ore Limited officially listed on the Australian Securities Exchange on 8 July 2008. For more information, visit the website at www.legacyiron.com.au.

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The Exploration information in this report is based on information compiled by Dan Baldwin who is a member of The Australasian Institute of Mining and Metallurgy and a full time employee of Legacy Iron Ore Ltd.. Mr. Baldwin 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 "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Baldwin consents to the inclusion in this report of the matters based on his information in the form and the context in which it appears.