



IRON ORE LIMITED

ACN 125 010 353

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

**Annual General Meeting to be held at the
Duxton 4 conference room, Duxton Hotel,
1 St George's Terrace, Perth**

**On Wednesday 30 August 2017
commencing at 10:30am (WST)**

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety.
If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor or other professional
adviser without delay.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Legacy Iron Ore Limited will be held at the Duxton 4 conference room, Duxton Hotel, 1 St George's Terrace, Perth on Wednesday 30 August 2017 commencing at 10:30 am (WST).

ORDINARY BUSINESS

1. Financial Statements and Reports

To receive and consider the annual financial report, together with the Directors' and auditor's reports for the financial year ending 31 March 2017.

2. Adoption of Remuneration Report (Resolution 1)

To consider and if thought fit, to pass, with or without amendment the following **advisory only resolution**:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the remuneration report as contained in the Company's annual financial report for the financial year ending 31 March 2017."

Voting exclusion: The Company will disregard any votes cast on Resolution 1 by, or on behalf of:

- a member of the key management personnel ("KMP") as disclosed in the Remuneration Report;
- a closely related party of those persons,

unless the vote is cast by a person as proxy for a person entitled to vote in accordance with a direction on the Proxy Form. The Company's KMP's are set out in the Remuneration Report. Generally speaking they are people having authority and responsibility for planning, controlling and directing the Company's activities in a direct or indirect manner. KMP's include the Directors, and senior executives of the Company.

A closely related party of KMP generally speaking means a spouse, child, or dependent of the KMP, or a child or dependant of the spouse of the KMP. It includes anyone else who is a member of the KMP's family who would influence or may be expected to influence the KMP in relation to his or her dealings with the Company. It also includes any company which is controlled by the KMP, and includes any other people prescribed as closely related parties by ASIC in the regulations to the Corporations Act (none are prescribed at this time).

3. Re-election of Director (Resolution 2)

To consider and if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

"That, in accordance with the Company's Constitution and for all other purposes, Mr Devanathan Ramachandran, who retires by rotation under section 11.3 of the Company's Constitution and ASX Listing Rule 14.4 and, being eligible, offers himself for re-election, is re-elected as a Director of the Company".

4. Re-election of Director (Resolution 3)

To consider and if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

"That, in accordance with the Company's Constitution and for all other purposes, Mr Timothy Turner who retires by rotation under section 11.3 of the Company's Constitution and ASX Listing Rule 14.4 and, being eligible, offers himself for re-election, is re-elected as a Director of the Company".

SPECIAL BUSINESS

5. Approval of 10% Placement Facility (Resolution 4)

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

“That approval is given for the Company to have the additional capacity (ie, 10% Placement Capacity) to issue Equity Securities under Listing Rule 7.1A, for the period specified in Listing Rule 7.1A.1 and in accordance with the formula prescribed in Listing Rule 7.1A.2.”

Voting Exclusion: The Company will disregard any votes cast on Resolution 4 by a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if Resolution 4 is passed. However, the Company will not disregard a vote cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides

Explanatory Statement

The accompanying Explanatory Statement forms part of this Notice of Annual General Meeting and should be read in conjunction with it.

Shareholders are specifically referred to the Glossary in the Explanatory Statement which contains definitions of capitalised terms used in this Notice of Annual General Meeting and the Explanatory Statement.

Proxies

Please note that:

- (a) a Shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company;
- (c) a Shareholder may appoint a body corporate or an individual as its proxy;
- (d) a body corporate appointed as a Shareholder's proxy may appoint an individual as its representative to exercise any of the powers that the body may exercise as the Shareholder's proxy; and
- (e) Shareholders entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed proxy form provides further details on appointing proxies and lodging proxy forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company or its share registry in advance of the Annual General Meeting or handed in at the Annual General Meeting when registering as a corporate representative.

Voting Entitlements

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the

register of Shareholders as at 5pm (WST) on 28 August 2017. Accordingly, transactions registered after that time will be disregarded in determining a Shareholder's entitlement to attend and vote at the Annual General Meeting.

Enquiries

Shareholders may contact the Company Secretary, Ben Donovan, on (+61 8) 9421 2000 if they have any queries in respect of the matters set out in these documents.

By Order of the Board of Directors



Ben Donovan
Company Secretary

Dated this 13 July 2017

Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolutions in the accompanying Notice of Annual General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary.

Item 1 - Financial Statements and Reports

The Corporations Act requires the reports of the Directors and of the Company's auditor and the annual financial report for the year to 31 March 2017, including the financial statements, to be put before the Annual General Meeting and the Constitution provides for those reports and statements to be received and considered at the Annual General Meeting. Neither the Corporations Act nor the Constitution requires a vote of Shareholders at the Annual General Meeting on the reports or statements. However, Shareholders will be given an opportunity to raise questions on the reports and statements at the Annual General Meeting.

In accordance with the Corporations Act, the Company is not required to provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has specifically elected to receive a printed copy. These amendments may result in reducing the Company's printing costs.

Whilst the Company will not provide a hard copy of the Company's annual financial report unless specifically requested to do so, Shareholders may view the Company annual financial report on its website at www.legacyiron.com.au.

Item 2 – Adoption of Remuneration Report (Resolution 1)

The Remuneration Report is set out in the Directors Report in the Company's Annual Report for the period ending 31 March 2017. This report sets out the Company's remuneration policy and reports on the remuneration arrangements in place for Directors and key executives of the Company.

Section 250R(2) of the Corporations Act requires a resolution that the Remuneration Report be adopted must be put to the vote. This resolution seeks this approval. However, in accordance with section 250R(3) of the Corporations Act, Shareholders should note that this resolution is an "advisory only" resolution which does not bind the Directors of the Company.

Following consideration of the Remuneration Report, the Chairman, in accordance with section 250SA of the Corporations Act, must give Shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

Under recent reforms to the Corporations Act, if 25% or more of the vote on this resolution are against adopting the Remuneration Report, the Company will be required to consider and report to Shareholders in the next Remuneration Report on what action (if any) has been taken in response to Shareholder concerns, and if no action is proposed to be taken, the Board's reasons for this.

Shareholders also need to be aware that as a result of the new legislation which became effective on 1 July 2011 a "two strikes" process will apply to the results of voting in relation to Resolution 1. This means that if the resolution proposing adoption of the Remuneration Report receives a "no" vote of over 25% of votes cast by those attending in person or by proxy and permitted to vote, at two successive annual general meetings, then at the Company's 2018 annual general meeting, an extra resolution must be put to the meeting proposing that another general meeting should be held within 90 days of the second annual

general meeting. A simple majority of over 50% of the votes cast at the 2018 annual general meeting is required to pass this extra resolution. If the resolution is passed, within 90 days another general meeting must be held at which all the Directors, except the Managing Director and any new Directors appointed since the date of the 2018 annual general meeting, will be required to resign and offer themselves for re-election. These provisions are colloquially referred to as the “two strikes rule” and the “spill resolution” to be put to the “spill meeting”.

If at the spill meeting, the resolutions are all passed against re-electing the relevant Directors, the legislation includes a mechanism to ensure the Board continues with the statutory required minimum of 3 Directors. After the managing director, the remaining positions will be filled by the Directors whose re-election resolutions at the spill meeting received the highest percentage of votes in favour of re-election. If the number of votes is the same for Directors, the Managing Director and any other Director whose re-election has been confirmed at this spill meeting, can choose who is to become the new Director, with such appointment to be confirmed by shareholders at the next annual general meeting. The ramifications of this mechanism being invoked include that the Company would not be in compliance with its corporate governance policies as a result of not having three independent directors on the Company’s audit committee or any other committees requiring independent directors.

At the Company’s 2016 Annual General Meeting, there were 523,424 votes cast against the 2016 Remuneration Report, which is less than 25% of the votes cast at the meeting and therefore the two strikes process was not invoked at the 2016 Annual General Meeting.

The Chairman intends to vote all available proxies in favour of adopting the Remuneration Report.

Item 3 – Re-election of Director (Resolution 2)

Clause 11.3 of the Constitution, at every Annual General Meeting, one third of the directors must retire, but are eligible for re-election at that Annual General Meeting.

The Directors to retire are those who have been in office for 3 years since their appointment or last re-appointment or have been longest in office since their appointment or last re-appointment, or, if the Directors have been in office for an equal length of time, by agreement.

The Company currently has five non-executive Directors and accordingly two must retire.

Accordingly, Mr Devanathan Ramachandran retires by rotation at the Annual General Meeting and, being eligible, he offers himself for re-election as a Director. A summary of Mr Devanathan Ramachandran’s qualifications and experience is contained in the 2017 Annual Report on page 25.

The Directors, other than Mr Ramachandran, recommend that Shareholders vote in favour of Resolution 2 to reappoint Mr Ramachandran as a Director.

The Chairman intends to vote all available proxies in favour of Resolution 2.

Item 4 – Re-election of Director (Resolution 3)

Under clause 11.3 of the Constitution, at every Annual General Meeting, one third of the directors must retire, but are eligible for re-election at that Annual General Meeting.

The Directors to retire are those who have been in office for 3 years since their appointment or last re-appointment or have been longest in office since their appointment or last re-appointment, or, if the Directors have been in office for an equal length of time, by agreement.

The Company currently has five non-executive Directors and accordingly two must retire.

Accordingly, Mr Timothy Turner retires by rotation at the Annual General Meeting and, being eligible, he offers himself for re-election as a Director. A summary of Mr Turner’s qualifications and experience is contained in the 2017 Annual Report on page 25.

The Directors, other than Mr Turner, recommend that Shareholders vote in favour of Resolution 3 to reappoint Mr Turner as a Director.

The Chairman intends to vote all available proxies in favour of Resolution 3.

Item 5 – Approval of 10% Placement Facility (Resolution 4)

5.1 General

Under Listing Rule 7.1, subject to certain exceptions, a listed entity must not, without the approval of holders of ordinary securities, issue or agree to issue more Equity Securities than the number calculated according to the formula set out in that rule. The formula generally has the effect that, in addition to the exceptions provided, every listed entity has the ability (**15% Placement Capacity**) over any 12 month period to issue Equity Securities equal to 15% of its issued capital at the commencement of the 12 month period.

Under Listing Rule 7.1A, an “Eligible Entity” may also seek the approval of the holders of its ordinary securities by special resolution passed at an AGM to have the additional capacity (**10% Placement Capacity**) to issue Equity Securities under rule 7.1A. The exact formula for the 10% Placement Capacity is set out in Listing Rule 7.1A.2 and the approval period (**10% Placement Period**) to which it relates (generally 12 months) is set out in Listing Rule 7.1A.1 (refer to sections 5.2 and 5.3 respectively below). The ability to issue securities under Listing Rule 7.1A is in addition and separate to each listed entity's ability to issue securities under Listing Rule 7.1.

An “Eligible Entity” for the purposes of Listing Rule 7.1A is an entity which, as at the date of the relevant special resolution passed for the purposes of rule 7.1A, (excluding restricted securities and securities quoted on a deferred settlement basis) is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an Eligible Entity given it has a market capitalisation of approximately \$5.8m as at 3 July 2017.

There are a number of other rules and conditions applicable to the approval and issue of equity securities under Listing Rule 7.1A, including:

- (a) that any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company;
- (b) a limitation on the discount to prevailing market price at which they may be issued; and
- (c) additional disclosure requirements.

As at the date of the Notice, the Company has on issue only listed Shares.

The Company is now seeking Shareholder approval to have the 10% Placement Capacity.

At the date of this Notice, the Company has on issue 1,468,264,157 fully paid ordinary Shares. Assuming the Company's Shares on issue do not change, the Company will have the capacity over the course of the next 12 months to issue:

- (i) 220,239,623 Equity Securities under its 15% Placement Capacity; and
- (ii) 146,826,415 Equity Securities under its 10% Placement Capacity,

without requiring further shareholder approval.

The Directors of the Company believe that Resolution 4 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution. In particular, the ability of the Company to issue Shares under the 10% Placement Capacity will enable the Company to issue Shares at a discount to the then market price in circumstances where it might otherwise be subjected to the cost, delay and uncertainty of having to go back to Shareholders for approval. The additional flexibility and speed to conduct capital raising will better position the Company to pursue its interests in the prevailing difficult market conditions.

5.2 Formula for calculating the 10% Placement Capacity under Listing Rule 7.1A.2

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an AGM may issue or agree to issue, during the 10% Placement Period, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

- A** is the number of fully paid shares on issue 12 months before the date of issue or agreement:
- (i) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
 - (ii) plus the number of partly paid shares that became fully paid in the 12 months;
 - (iii) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4 (which does not include the 10% Placement Capacity);
 - (iv) less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% Placement Capacity.

D is 10%;

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

5.3 10% Placement Period under Listing Rule 7.1A.1

Listing Rule 7.1A.1 provides that an approval under Listing Rule 7.1A must be for a period commencing on the date of the AGM at which the approval is obtained and expiring on the first to occur of the following:

- (a) the date that is 12 months after the date of that AGM; or
- (b) the date of the approval by holders of the Eligible Entity's ordinary securities of a transaction under rule 11.1.2 (proposed significant change to the nature or scale of its activities where ASX has required the entity to seek such approval) or rule 11.2 (disposal of main undertaking).

5.4 Special Resolution

Resolution 4 will only be effective if it is passed as a special resolution which requires (amongst other matters) that it be passed by least 75% of votes cast by members entitled to vote on the resolution.

5.5 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Capacity as follows:

- (a) If the 10% Placement Capacity is used, Equity Securities may only be issued in reliance on the 10% Placement Capacity at an issue price of not less than 75% of the volume weighted average price for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 4 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power and economic interests in the Company could potentially be diluted as shown in the below table. There is a risk that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date, or the Equity Securities may be issued as part of the consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows:

- (i) the potential dilution of existing Shareholders assuming a share issue at the current market price of Shares and assuming the current number of ordinary securities for variable "A" (as described in section 7.2 and Listing Rule 7.1A.2) (further assumptions are set out in the notes immediately below the table).
- (ii) two further examples where variable "A" has increased by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities included in variable "A" may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (iii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.002 50% decrease in Issue Price	\$0.004 Assumed Issue Price	\$0.006 50% increase in Issue Price
Current Variable A 1,468,264,157	10% voting dilution	146,826,415		
	Funds raised	\$293,652.83	\$587,305.66	\$880,958.49
50% increase in current Variable A 2,202,396,236	10% voting dilution	220,239,624		
	Funds raised	\$440,479.25	\$880,958.50	\$1,321,437.74
100% increase in current Variable A 2,936,528,314	10% voting dilution	293,652,831		
	Funds raised	\$587,305.66	\$1,174,611.32	\$1,761,916.99

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - (ii) No Options are exercised into Shares before the date of the issue of the Equity Securities.
 - (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on the Shareholder's holding at the date of the Meeting.
 - (v) The table shows only the effect of issue of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - (vi) The use of Equity Securities under the 10% Placement Facility consists only of Shares.
 - (vii) The assumed issue price is \$0.004, being the closing price of the Shares on ASX on 3 July 2017.
- (c) The Company will only issue the Equity Securities under the 10% Placement Facility approved (if approved) at the 2017 AGM during the 10% Placement Period. The approval under Resolution 4 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
 - (d) The Company may seek to issue the Equity Securities under the 10% Placement Facility for the following purposes:

- (i) cash consideration. In such circumstances, the Company intends to use the funds raised towards advancing the Company's exploration projects, and acquisitions of new assets or investments as well as for general working capital; or
- (ii) non-cash consideration for the acquisition of new resources, assets and investments, in lieu of payment of services, and payment of consulting fees. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon the issue of any Equity Securities under the 10% Placement Facility.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or Associates of a related party of the Company. Further, if the Company is successful in acquiring new assets it is likely that the allottees under the 10% Placement Facility will be the vendors of the new assets.

- (e) The Company has never previously obtained Shareholder approval under Listing Rule 7.1A, and as such no previous shares have been issued under the 10% Placement Capacity.

The Directors recommend that Shareholders vote in favour of Resolution 4. A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities utilising this 10% Placement Facility following the 2017 Annual General Meeting. No existing Shareholder's votes will therefore be excluded under the voting at the Meeting.

The Chairman intends to vote all available proxies in favour of Resolution 4.

Glossary

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

10% Placement Facility	has the meaning given in Section 5.
10% Placement Period	has the meaning given in Section 5.
Annual General Meeting	means the meeting convened by the Notice of Annual General Meeting.
Associate	has the meaning given in the Corporations Act.
ASX	ASX Limited (ACN 008 624 691).
Board	Board of Directors.
Chairman	Mr Narendra Kumar Nanda
Constitution	Constitution of the Company.
Company or Legacy	Legacy Iron Ore Limited (ACN 125 010 353)
Corporations Act	Corporations Act 2001 (Cth).
Director	Director of the Company.
Explanatory Statement	the Explanatory Statement accompanying the Notice of Annual General Meeting.
Listing Rules or ASX Listing Rules	the listing rules of ASX.
Meeting	means this Annual General Meeting.
Notice of Annual General Meeting	the Notice of Annual General Meeting accompanying the Explanatory Statement.
Related Party	has the meaning given in the Corporations Act.
Share(s)	ordinary fully paid shares in the capital of the Company.
Shareholder	a holder of a Share.
VWAP	the volume weighted average price of a Share.
WST	Western Standard Time in Perth, Western Australia.