



IRON ORE LIMITED

An NMDC Company

ASX Announcement
18 October 2018

About Legacy Iron Ore

Legacy Iron Ore Limited ("Legacy Iron" or the "Company") is a Western Australian based Company, focused on iron ore, base metals, tungsten and gold development and mineral discovery.

Legacy Iron's mission is to increase shareholder wealth through capital growth, created via the discovery, development and operation of profitable mining assets.

The Company was listed on the Australian Securities Exchange on 8 July 2008. Since then, Legacy Iron has had a number of iron ore, manganese and gold discoveries which are now undergoing drilling and resource definition.

Board

N. Bajindra Kumar, Non-Executive Chairman

Narendra Kumar Nanda, Non-Executive Director

Tangula Rama Kishan Rao, Non-Executive Director

Devanathan Ramachandran, Non-Executive Director

Rakesh Gupta, Director and Chief Executive Officer

Ben Donovan, Company Secretary

Key Projects

Mt Bevan Iron Ore Project

South Laverton Gold Project

East Kimberley Gold, Base Metals and REE Project

Enquiries

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ASX Market Announcements

ASX Limited

Via E Lodgement

MT CELIA GOLD PROJECT –

COMMENCEMENT OF INFILL RESOURCE DRILLING

Following the positive results from the pit optimization study recently released, Legacy Iron Ore Limited (**Legacy Iron** or the **Company**) is pleased to announce the commencement of the next phase of the RC drilling at Kangaroo Bore deposit within the Mt Celia Project.

The positive pit optimisation study results announced 15 October 2018 showed a strong case for further resource enhancement through additional infill as well as extension drilling.

Encouraged by these results, an RC rig has been mobilised to site with approximately 2,200 m of RC drilling to be undertaken.

The drilling has been designed to achieve the following:

- To demonstrate continuity of mineralisation with a specific focus on shallow mineralisation within the optimised pit boundary via the infill of existing drilling.
- To test for depth extensions to mineralisation beyond the modelled limits (Figure 1 & 2).

Resource studies completed to date has highlighted numerous areas where mineralisation remains open both along strike as well as at depth and this drilling plans to test those areas.

Any positive results from this drilling will form the basis of a potential upgrade in the size and tonnage of the current known inferred resource (see below) as well as improving of the JORC classification which in turn will further enhance the results of the next round of pit optimisation study.

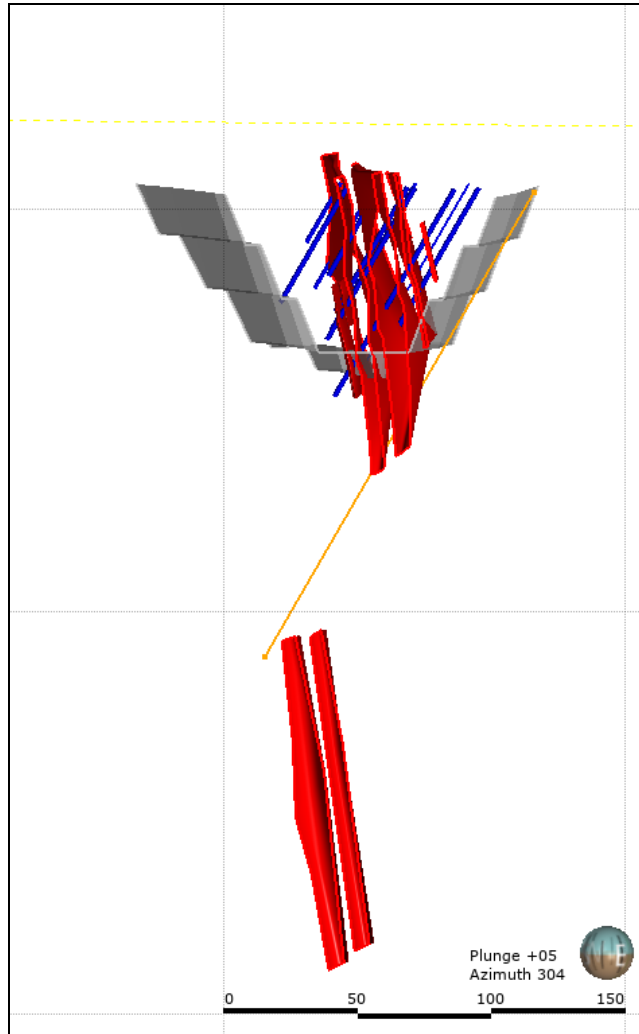


Figure 1: Example of a drill hole planned (orange) to extend mineralisation at depth (red polygons), designed to intersect mineralisation below the optimised pit (grey) and to extend deep mineralisation up-dip

In addition, several holes are planned in the northwest of the inferred resource where drilling density is lower and only one mineralised vein has been modelled that shows continuity across multiple sections. These holes are designed to test the potential for additional mineralised veins, analogous to the southeast of the deposit (Figure 2).

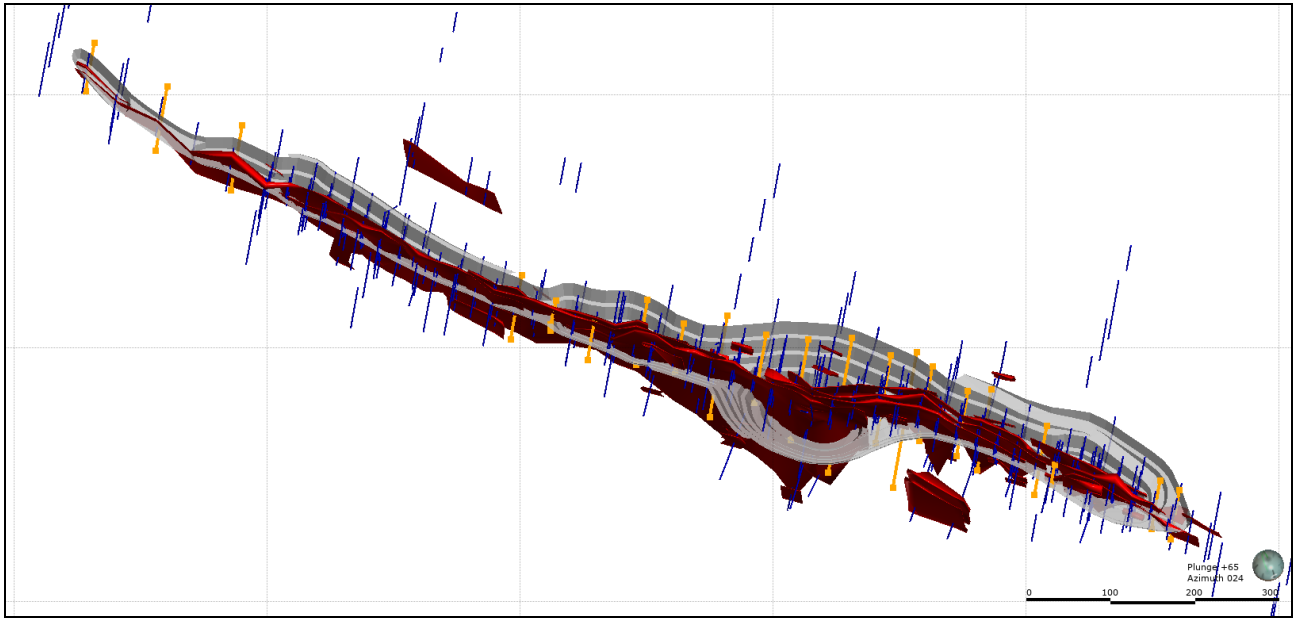


Figure 2: Oblique view of the Kangaroo Bore resource (red) with planned drill holes (orange) and existing drilling (blue) and the optimised pit design

Numerous early stage targets have been identified with potential for subparallel mineralisation within 100 m of the Kangaroo Bore resource. These are planned to be tested in future programs.

Next Steps

Drilling is expected to take approximately two weeks with results expected in a further six weeks. The Company will update the market following analysis of the results.

Legacy Iron plans to continue to develop the Mt Celia Project towards a measured resource or reserve JORC category, with diamond drilling and additional RC drilling to follow.

Background

The Mt Celia Project lies within the Laverton Tectonic Zone, some 40km south of the Sunrise Dam gold mine (approximately 8 Moz gold resource), as shown in Figure 3.

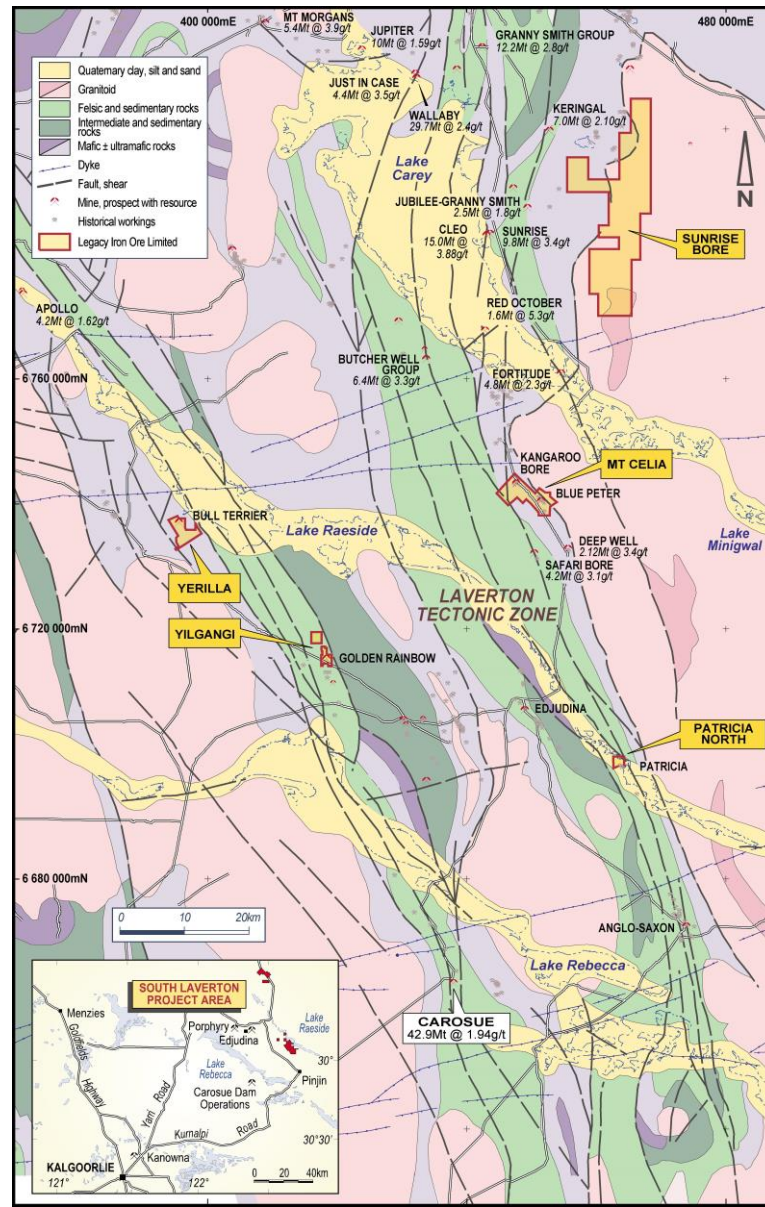


Figure 3: Location of Mt Celia within the South Laverton Project region

The project contains several known gold occurrences including Kangaroo Bore and Blue Peter deposits.

The total gold resource at Mt Celia is shown in Table 1.

Deposit	Classification	Cut-Off (g/t Au)	Tonnage (t)	Grade (g/t Au)	Metal (oz)
Kangaroo Bore	Inferred	0.7	2,800,000	1.48	133,000
Blue Peter	Inferred	1.0	607,200	2.62	51,100
Total (Mt Celia)	Inferred		3,407,200	1.68	184,100

Table 1 Mineral Resource estimate - Mt Celia Project (as of March 2018)

(Note: Please refer to ASX announcements made on 17 Nov 2017 and 22 Mar 2018 for the complete statement about the above Kangaroo Bore and Blue Peter resource estimates. Also, no additional work has been done on these deposits which warrants revision of the above estimates at this stage).

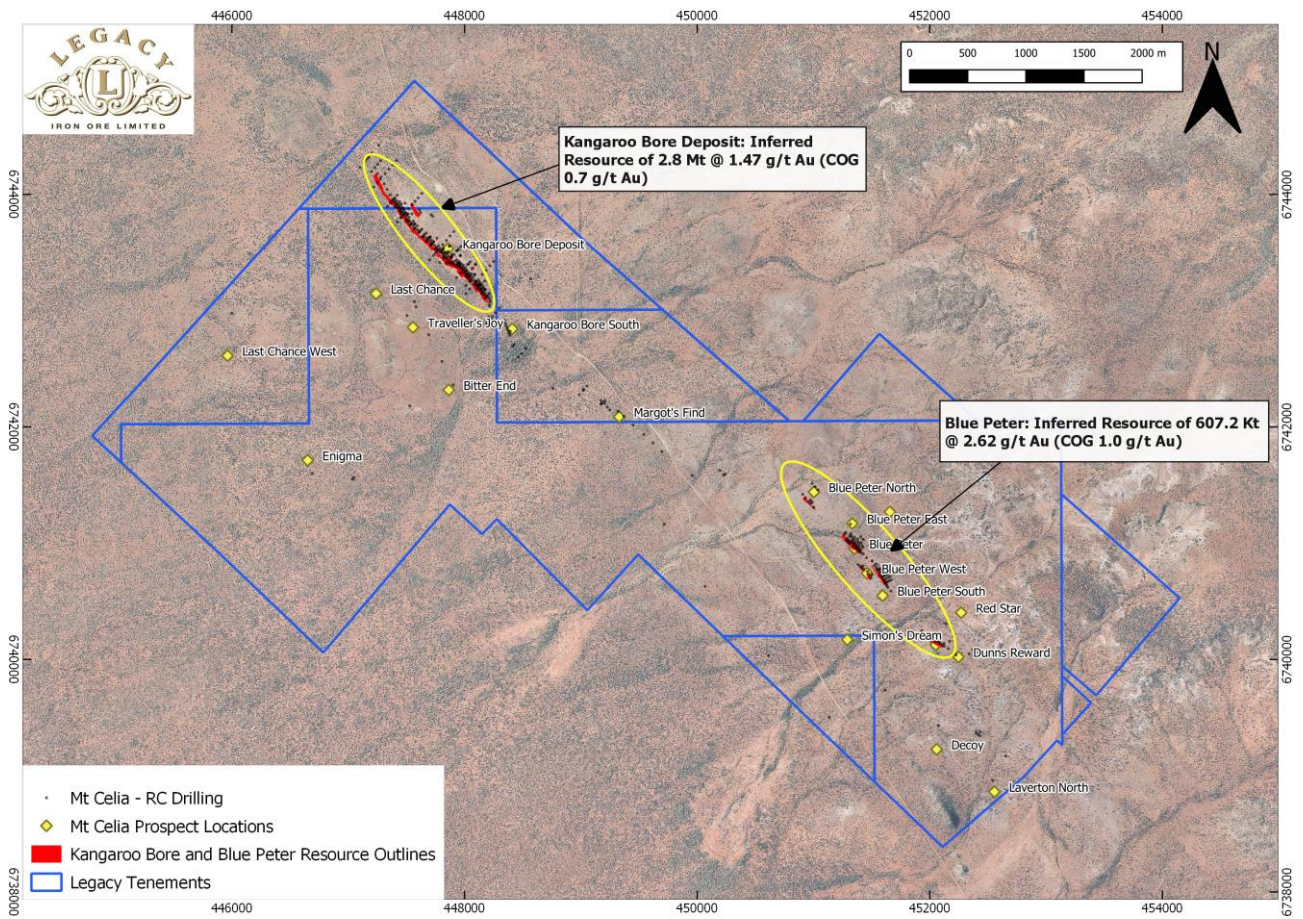


Figure 4: Mt Celia Project showing Kangaroo Bore and Blue Peter deposits with various prospect locations

A total of 207 drill holes including 24 diamond holes (totalling 15,099 m of drilling) were considered for use in the Kangaroo Bore resource estimate. The majority of the data used for the resource estimation was derived from historical drilling.

The Kangaroo Bore deposit is hosted by the Laverton Tectonic Complex, a strongly faulted and folded greenstone sequence that forms part of the larger Eudjulina-Laverton greenstone belt. The mineralisation

occurs within the Kangaroo Bore shear zone, which strikes to the northwest, and dips steeply to the northeast. The gold mineralisation occurs predominantly within micro-folded quartz-carbonate veins hosted within silicified quartz-pyrophyllite schists.

The Blue Peter (including Coronation) prospect is located approximately 2-3km south of the Kangaroo Bore with in the Mt Celia Project. At Blue Peter, the shear system contains several small historic gold workings including Coronation. The shear system extends over a distance of at least 2 kilometres, and consists of single, parallel or an echelon quartz filled shears within mafic and lesser ultramafic lithologies, that flank an eastern granitoid. This geometry coupled with the widespread gold dry blowings is favourable for a bulk tonnage gold potential for the system.

Yours faithfully,

Rakesh Gupta
Chief Executive Officer

The information in this report that relates to Exploration Results is based on information compiled by Bhupendra Dashora who is a member of AusIMM and employee of Legacy Iron Ore Limited. Mr. Dashora 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Dashora consents to the inclusion in this report of the matters based on his information in the form and the context in which it appears.