



15 June 2023

Joint ASX release

HANCOCK EXECUTES LITHIUM EARN-IN AND JOINT VENTURE AT MT BEVAN

HIGHLIGHTS

- Hancock commits to \$4 million and may expend approximately \$22 million more to earn 51 percent in a Joint Venture in respect of minerals other than iron ore (including lithium) at Mt Bevan
- Additional payments to Legacy and Hawthorn based on the delineation of lithium JORC compliant resources
- Hancock to complete a PFS upon completing exploration milestones
- Mt Bevan is prospective for lithium, nickel and copper along the Mt Ida fault

Legacy Iron Ore Ltd ASX: LCY (**Legacy Iron**) and Hawthorn Resources Limited ASX: HAW (**Hawthorn**) are pleased to announce the execution of a binding joint venture agreement in respect of lithium and other minerals (**Agreement**) with Hancock Magnetite Holdings Pty Ltd (**Hancock**).

The Agreement formalises terms for Hancock to earn-in to all non-iron minerals, focusing on the exploration and development of lithium and other critical minerals at Mt Bevan (**Project**).

The key terms of the Agreement include:

- Hancock to make an unconditional initial investment of \$4 million for a 7.5 percent interest in the Project with \$2.4 million cash being paid to Legacy Iron and \$1.6 million to Hawthorn
- Hancock may fund additional exploration and development activities totalling approximately \$22 million, to earn an additional 43.5 percent interest in the Project, in three stages:
 - expending up to a maximum of \$5 million on exploration activities within 12 months, to earn an additional 7.5 percent;
 - expending up to a maximum of \$7 million on drilling activities within a further 12 months, to earn an additional 20 percent; and
 - delivering a pre-feasibility study (**PFS**) on the Project within a further period of 18 months, which is expected to cost at least \$10 million, to earn an additional 16 percent
- If Hancock meets all three earn-in requirements, Hancock will hold a 51 percent interest in the Project and Legacy Iron and Hawthorn will hold 29.4 percent and 19.6 percent

respectively

- Legacy and Hawthorn are entitled to receive an additional cash payment of up to \$10 million if a lithium pegmatite JORC resource of greater than 5,000,000 tonnes with an average grade of 1.2 percent Li₂O or above is delineated

Legacy has a right to acquire up to 75 percent of the end product produced by any successful joint venture project, with Hawthorn retaining a right to take 10 percent and Hancock retaining a right to take 15 percent.

The Agreement follows completion of an extensive due diligence process by Hancock and the finalisation of the non-binding deed with Hancock for minerals other than iron ore, as announced on 29 August 2022.

The Agreement for lithium follows the completion of a similar joint venture agreement in April 2022, between Hancock Magnetite Holdings Pty Ltd and Legacy and Hawthorn on the same tenement for iron ore minerals (including magnetite), as released to the ASX by Legacy and Hawthorn on 17 December 2022.

Commenting on the Agreement Legacy Iron CEO Rakesh Gupta said *“The signing of this agreement is a significant step in the development of the Mt Bevan project as it moves further towards commercialisation. We welcome Hancock into the project and look forward to working with them and leveraging their expertise in the area, and the development of this project.”*

Hawthorn Managing Director Brian Thornton commented *“The Mt Bevan project is unique and has delivered an outstanding result for Hawthorn shareholders; firstly we have a world class well defined magnetite ore body which sits side by side with a potential new lithium province on the Mt Ida fault and adjacent to Delta Lithium’s discovery. Hawthorn Resources is delighted to welcome Hancock into this next exciting chapter of the Mt Bevan venture.”*

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This announcement has been approved for release by the respective Boards.

About Hancock

Built on a long history of pioneering, exploring and investing in Australia, Hancock Prospecting Group is an independent, privately owned Australian company group that has a proud history with the Pilbara region and the iron ore sector, and is one of the longest continuous owners of cattle stations in Australia. Our executive chairman, Mrs Gina Rinehart, founded both national agriculture and related industries day, November 21, and national mining and related industries day, November 22, which recognise these critical industries and the many related industries that depend upon them. The Hancock group is the most successful private group in Australia.

About Legacy

Legacy Iron Ore Limited is a vibrant Perth-based Australian exploration company, focused on the development of iron ore, gold and base metal deposits.

With a mission to increase shareholder wealth through capital growth, Legacy has a commitment to discovering viable mineral deposits and developing them into profitable mining operations.

Legacy now has the backing of major shareholder NMDC Limited (A Government of India Enterprise). NMDC is India's single largest iron ore producer, presently producing about 35 million tonnes of iron ore from 4 fully mechanized mines.

About Hawthorn

Hawthorn Resources Limited is a listed, diversified gold and base metals explorer with strategic tenement holdings in Western Australia. We have a partnership with a group of Chinese Investors through Feng Hua Mining Investment Holding (HK) Limited (36% shareholding), including Feng Hua Advanced Technology (HK) Ltd, Guangdong Rising Asset Management Co., Ltd, Guangdong Corporation of Geology and Minerals and Lite Smooth Investment Limited.

Hawthorn has a 70% interest in the Anglo-Saxon underground gold project at Pinjin in the South Laverton Tectonic Zone (SLTZ) ,140kms NE of Kalgoorlie and approximately 70 kms to the north of Ramelius' Lake Rebecca gold project. The current underground hosts an indicated and inferred MRE of 796,000 tonnes at 6.1 g/t Au for 157,000 ozs (Refer ASX release of 20 October 2020: Mineral Resource Update).