IRON ORE LIMITED

(ABN 31 125 010 353)

Interim Financial Report for the Six-Month Period Ended 30 September 2021

CONTENTS

DIRECTORS' REPORT

Your Directors present their report on Legacy Iron Ore Limited for the half-year ended 30 September 2021 ("Legacy Iron" or the "Company").

1. DIRECTORS

The names of Directors in office during the whole of the half year and up to the date of this report unless otherwise stated:

Mr Sumit Deb (Non-Executive Chairman)

Mr Rakesh Gupta (Chief Executive Officer and Executive Director)

Mr Devanathan Ramachandran (Non-Executive Director)

Mr Amitava Muhkerjee (Non-executive Director)

Mr Somnath Nandi (Non-executive Director) – appointed 25 November 2021

Mr Alok Kumar Mehta (Non-executive Director) - resigned 5 October 2021

2. COMPANY SECRETARY

Mr Benjamin Donovan

3. REVIEW OF OPERATIONS

OPERATING RESULTS

The Company incurred a loss after income tax of $543,715 for the half-year ended 30 September 2021 (30 September 2020: $393,202).

The Company had cash on hand of $391,677 and term deposits classified as current financial assets of $7,000,000 at 30 September 2021 (31 March 2021: $9,707,982).

CORPORATE

On 26 August 2021, the Company held its Annual General meeting with all resolutions passed unanimously including the appointment of HLB Mann Judd (WA Partnership) as the Company's auditors.

DIRECTORS' REPORT (continued)

Project Overview

Legacy Iron is an active exploration company with a diverse portfolio of assets spanning iron ore, gold, base metals and tungsten (Figure 1).

The Company has a significant landholding in the Eastern Goldfields (Yilgarn) and East Kimberley districts of WA. In the Eastern Goldfields, the Company holds tenements with several gold prospects, whilst the East Kimberley Project has excellent potential to host base metal – gold, tungsten and rare earth elements (REE) mineralisation.

The Company is also in a Joint Venture with Hawthorn Resources Limited (Hawthorn) on the Mt Bevan Project, north of Kalgoorlie in Western Australia, where the Company aims to progress a potentially world class magnetite project and is exploring for nickel-copper mineralisation at an early stage.

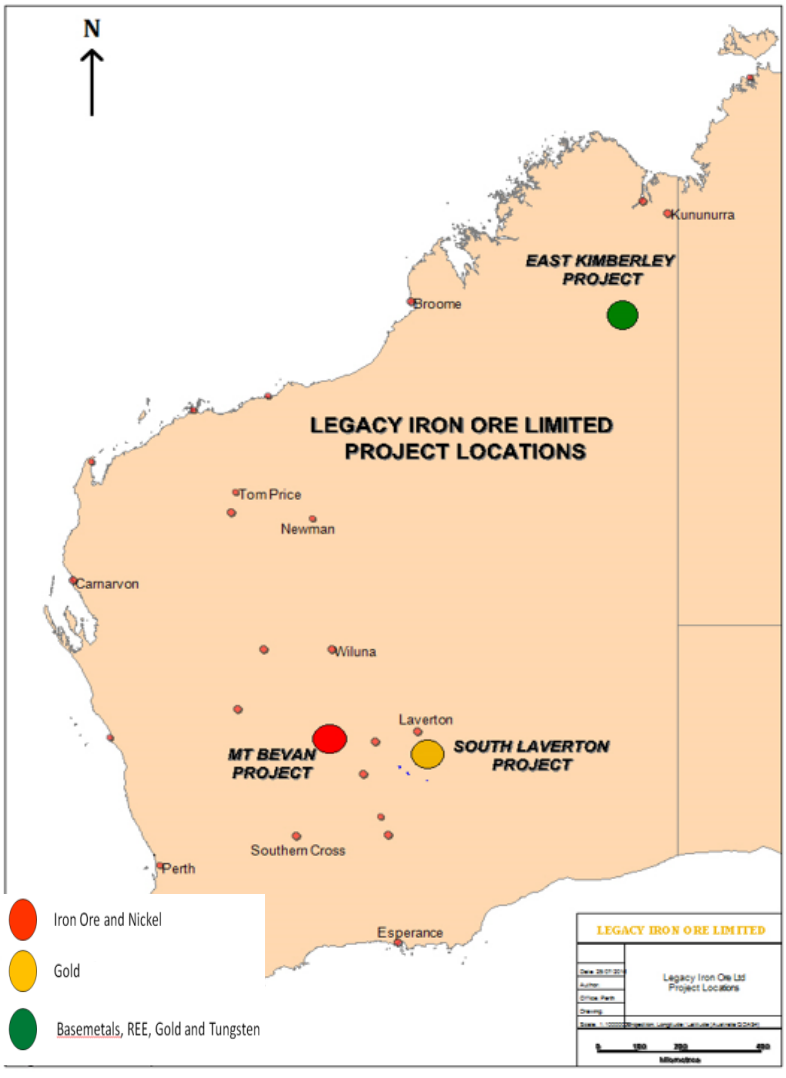

Figure 1 Legacy Iron – Project Locations

DIRECTORS' REPORT (continued)

During this half-yearly period, exploratory RC drilling was undertaken in the Mt. Celia, Yilgangi, Sunrise Bore and Mt. Bevan projects. Apart from the drilling, geophysical surveys were also completed at the Mt Celia, Koongie Park and Sophie Downs projects. Geological reconnaissance and rock chip sampling were undertaken at the East Kimberley and Patricia North projects.

The major focus of the Company's activity at present is to complete the pre-feasibility studies of the Mt Celia gold project with a view to develop an economically viable project.

A summary of works undertaken at the various projects during the half-yearly period is set out below.

South Laverton:

Mt Celia:

- Additional resource definition drilling was completed at the Kangaroo Bore and Blue Peter deposits in June 2021. The RC drilling tested the strike extension and continuity of the Blue Peter and Kangaroo Bore projects and tested 4 IP anomalies. In this campaign, RC drilling was completed for a total of 2640m in 33 holes.

- The hydrogeological studies were completed under the supervision of AMC Consultants. To generate hydrogeological data for this study, six monitoring water bores and one production water bore were constructed and pumping tests were performed on the production bores.

- The ground Geophysical survey and an Induced Polarisation (IP) survey were completed over the Blue Peter and adjoining area, which defined 4 promising anomalies.

- In June 2021, resource revision was undertaken by incorporating additional drilling (March 2021, 1080m RC drilling) and mineralisation at depth. After this revision, the total mineral resources of the project reached 309,200 ounces of gold (Refer ASX announcement dated 28 July 2021).

- The mining study of the project was completed by AMC Consultants and the results of the mining studies were announced. (Refer ASX announcement dated 6 September 2021). The study indicated positive outcomes for the Kangaroo Bore and Blue Peter deposits by toll treatment arrangements.

- The work of toll treatment option analysis was awarded to JT Metallurgical Services.

- The waste rock characterisation studies were initiated, and the work is being completed under the supervision of MBS Environmental.

- Talks with Native title claimants are underway for a heritage and mining agreement. All efforts are being made for an early finalisation of the agreement.

DIRECTORS' REPORT (continued)

Yilgangi:

An RC drilling programme was completed at Yilgangi in June 2021 for a total 1335 m in 25 holes. This campaign was undertaken to test the continuity of known mineralisation at the Rainbow and Golden Rainbow prospects. A MMI soil anomaly located south of the known resources was also drill tested.

Sunrise Bore

In June 2021 an RC drilling programme was completed at one of the high priority gold in soil anomalies with 17 RC holes for 1133m. The assay results are promising for gold mineralisation as three drillholes intercepted gold mineralisation. These holes are spaced at 900m strike distance. (Refer announcement dated 6 October 2021).

Patricia North

The tenement was visited during the period for ground verification of drilling targets. Rock chip samples were collected and sent to the SGS laboratory for assay. Talks are underway with the native title groups for agreements to enable work programme clearance.

Mt Bevan:

During June 2021, an RC drilling programme was completed at the Mt Bevan project, with a total 13 holes drilled for 1378m. The drilling aimed to explore DSO mineralisation in the southern part of the tenement by 10 RC holes and to drill test a Nickel sulphide target by 3 RC holes in the northern part of the tenement. Downhole electromagnetic geophysical survey was carried out in one of the holes drilled for nickel mineralisation. The Company is waiting for the final assay results of the drilling programme.

East Kimberley tenements: (**Koongie Park, Ruby Plains, Taylor Lookout and Sophie downs**)

- Geological reconnaissance and rock chip sampling was conducted during this period to redefine and check priority targets before drill testing.
- At the Sophie Downs project, ground geophysical, a Moving Loop Electromagnetic Survey (MLEM) was completed during June 2021 in one of the high priority copper anomaly area. This geophysical survey revealed anomalies.
- At the Koongie Park project, ground geophysical, and a Moving Loop Electromagnetic Survey (MLEM) was completed over six targets areas identified by soil geochemistry. The survey has identified an anomaly.

GOLD

South Laverton Gold Project

Legacy Iron's South Laverton Project includes the Mt Celia, Yerilla, Yilgangi, Sunrise Bore and Patricia North tenements (Figure 2). The Mt Celia, Yerilla and Yilgangi tenements contain

DIRECTORS' REPORT (continued)

a number of gold occurrences with known gold resource estimates from years prior to the change in JORC code reporting in 2012. The Company upgraded the resource estimates for Mt Celia (Kangaroo Bore and Blue Peter orebodies), with upgrades at the remaining tenements to occur.

The Company is progressing the Mt Celia project with a view to develop a mine. The scoping/pit optimisation study was completed in August 2021 (ASX announcement 6 and 10 September 2021) which showed a positive result towards that objective.

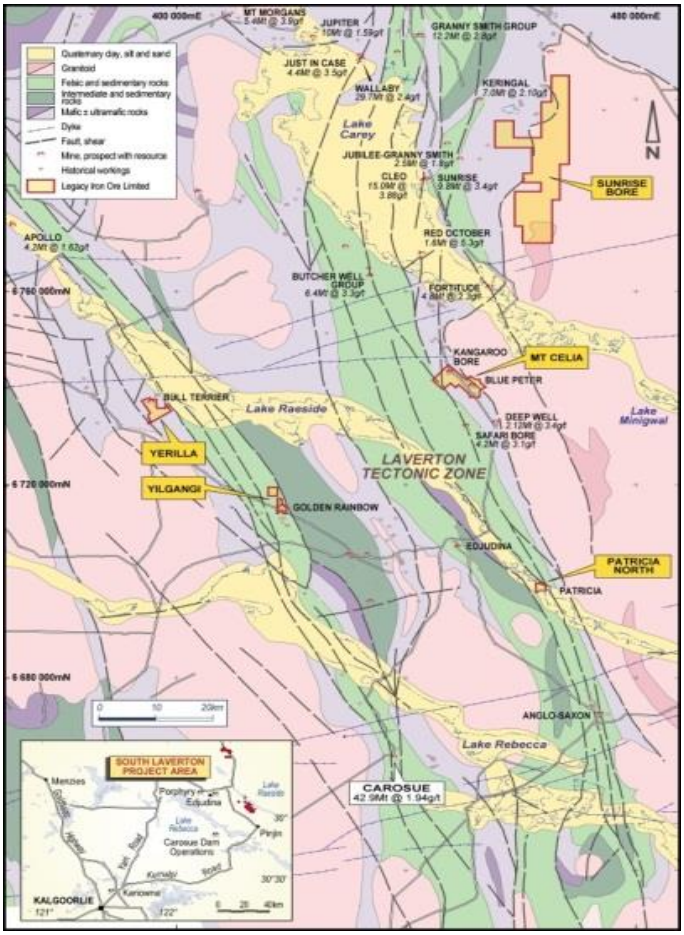

Figure 2. Legacy Iron's South Laverton Gold Projects on regional geology

Mt Celia Project

The Mt Celia Project lies within the Laverton Tectonic Zone, some 40km south of the Sunrise Dam gold mine (approximately 8Moz gold resource), as shown in Figure 2.The Project currently contains several known gold occurrences prominent being *Kangaroo Bore and Blue Peter* prospects.

Resource estimation

The Mt. Celia resource estimation work was completed by HGS, Australia, by incorporating the additional 17 drill holes drilled in March 2021.

DIRECTORS' REPORT (continued)

After the July 2021 revision the Company has a current 2012 JORC Mineral Resource estimate, at the Mt Celia Project (Kangaroo Bore and Blue Peter deposits) as shown in Table 1 and prospects location is given in Figure 3:

Table1: Current Mineral Resource at Mt Celia as of July 2021 *

Classification	Tonnage (Mt)	Grade (g/t Au)	Metal (oz)
Indicated	3.344	1.44	155,300
Inferred	3.616	1.32	153,900
Total	6.960	1.38	309,200

(See ASX announcement dated 28 July 2021 for existing resource details). The Company confirms that it is not aware of any new information or data that materially affects the information included in these announcements and that all material assumptions and technical parameters underpinning the resource estimate in the prior announcements continue to apply and have not materially changed. In June 2021 additional RC drilling has been done on these deposits, revision of the above estimates will be undertaken after assay results are received.

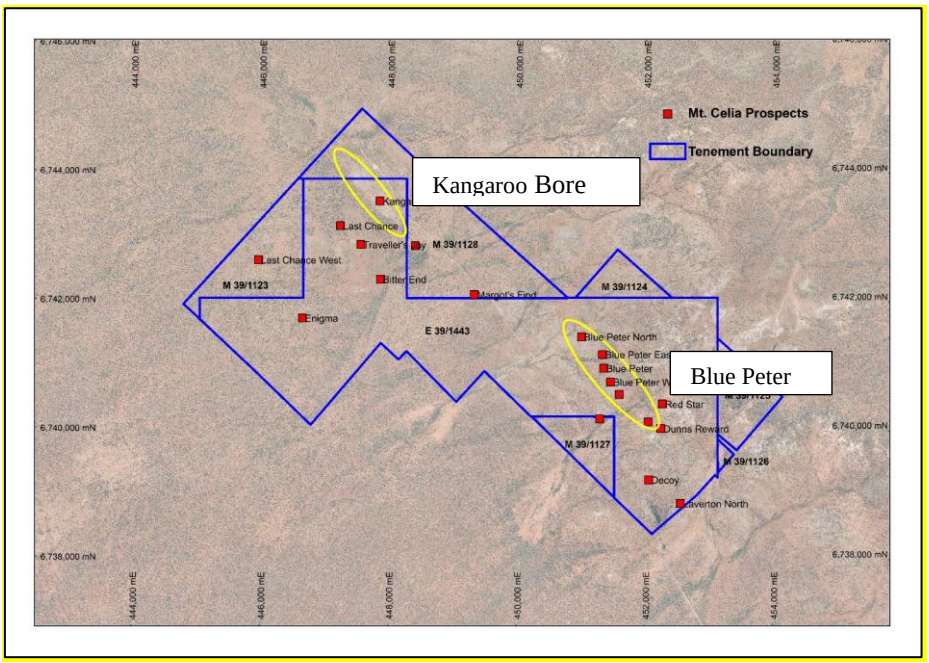

Figure 3: Mt Celia Project- Aerial image showing various prospect locations including Kangaroo Bore and Blue Peter

RC Drilling:

During this period, an RC drilling programme has tested the strike extension of the Blue Peter and Kangaroo Bore mineralisation. A programme of RC drilling was completed for a total of 2640 m in 33 holes. The programme aimed to test the strike continuation of the known ore body. Assays are still awaited from this drilling programme.

In addition, construction of 6 monitoring water bores and 1 production water bore to support ongoing hydrogeological studies has been completed in the month of April 2021. The hydrogeological studies and supervision of works was carried out by AMC Consultants. The outcome of the study has been received and it defined hydrogeological parameters of the project.

DIRECTORS' REPORT (continued)

A total of 4 IP anomaly targets were also drill tested by single drill holes in the June 21 RC programme. The Company is awaiting final assay results at the date of this report.

The locations of RC holes and water bores drilled is given in Figure.4.

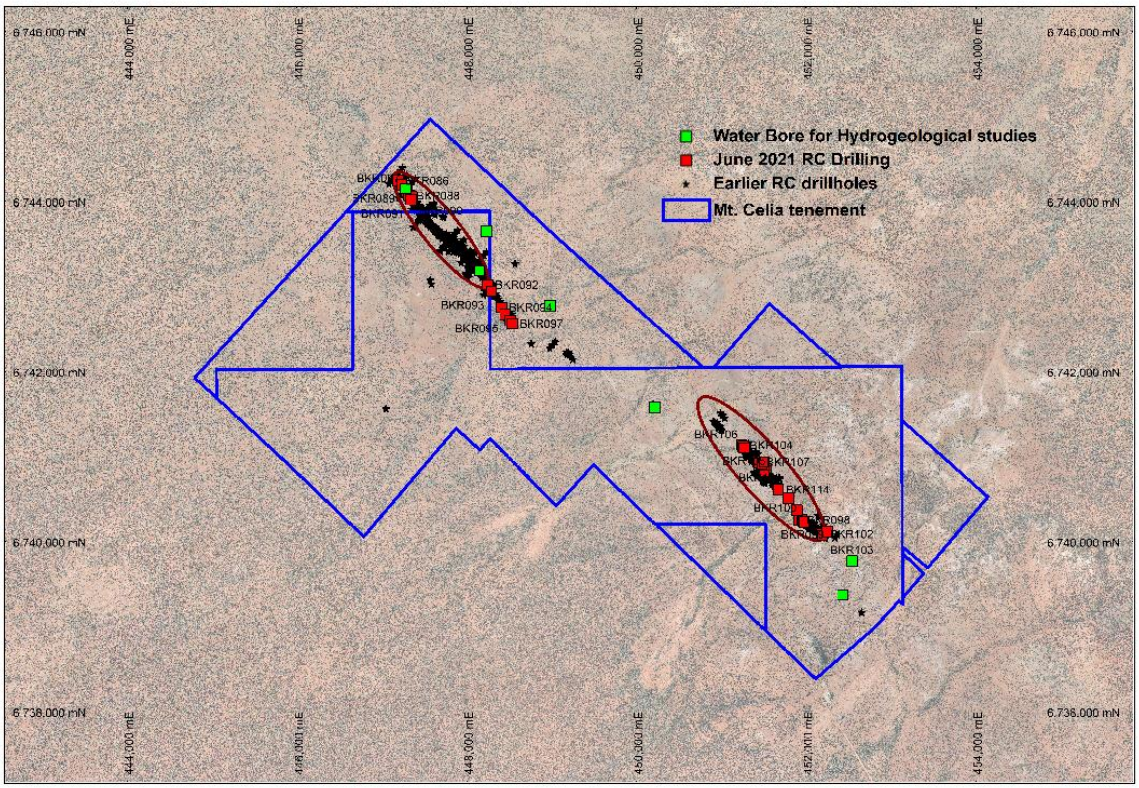

Figure 4. RC hole locations at Mt Celia project drilled in this period

Induced Polarisation (IP) Geophysical Survey at Mt. Celia:

The Ground Geophysical Induced Polarisation (IP) surveys have been completed in the prospective areas of the Mt Celia project in and around Blue Peter prospect and two orientation lines at Kangaroo Bore. Vortex Geophysics have completed the survey under the supervision of Geophysical consultant Newexco. This survey was planned to delineate new targets for gold exploration with the view to add ounces to the current mineral resource. Geophysical consultant Newexco has interpreted the data for target generation and 5 targets were identified; out of them 4 targets were drill tested each by single hole. The Company is hopeful for mineralisation over IP targets. Figure 5 below shows areas of completed IP surveying over the Mt Celia project.

DIRECTORS' REPORT (continued)

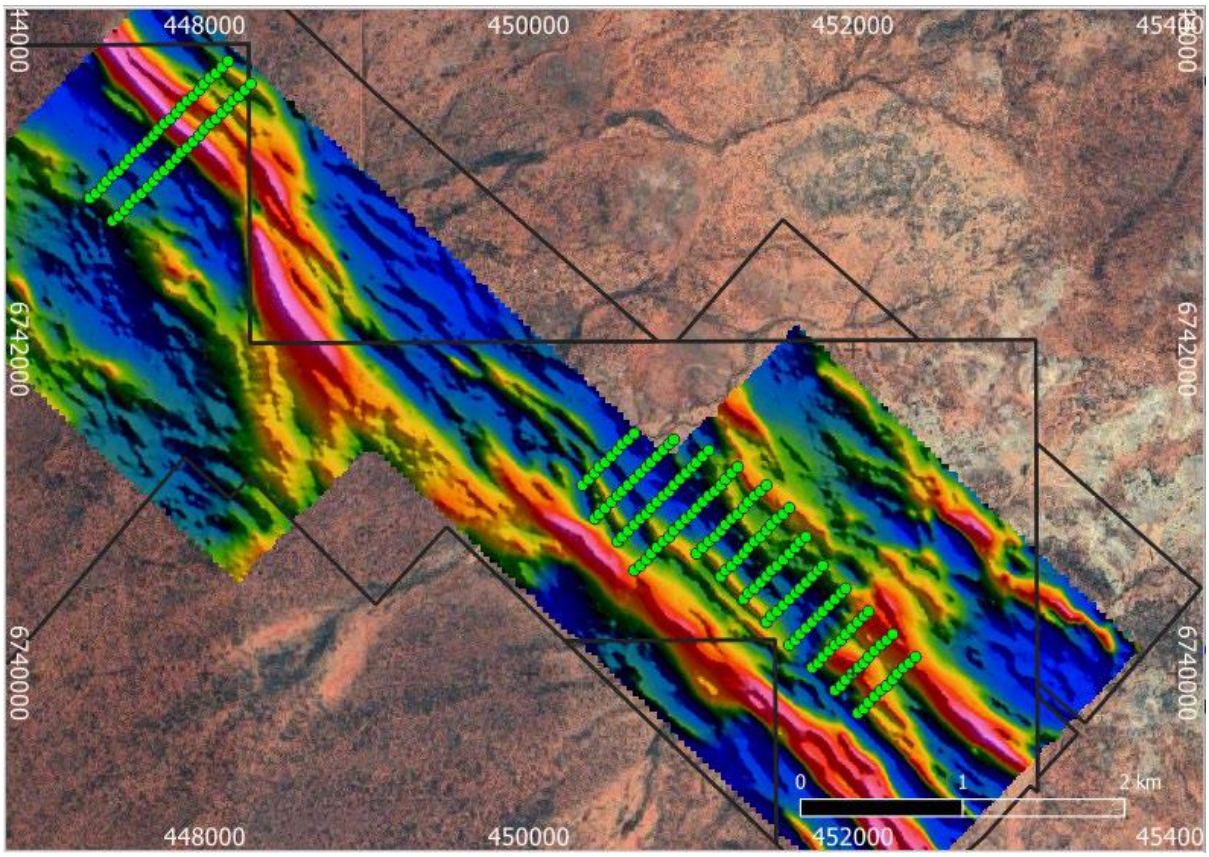

Figure 5 Completed Induced Polarisation Survey lines (green dots) over the SAM EQMMR_1VD image

Mt. Celia Mining Studies:

Using the current Mineral Resources, AMC carried out geotechnical and hydrogeological analysis, dilution modelling, pit optimization, mine design, mine scheduling and economic evaluation to investigate the mining potential at the Mt Celia Project and the potential for economic cashflow.

Pit Optimisation

The Mining Study undertaken by AMC used Whittle Four-X software and was completed using the Total Mineral Resource (see Table 1) and a base case gold price of A$2300/oz.

AMC prepared models by adding cost, recovery, royalty and revenue drivers to individual blocks within the models using Datamine macros. The resource model was regularised to account for dilution and ore loss expected during mining operations. Royalties, administration charges, ore processing costs and other ore related costs were all aggregated to create a total ore related cost which was assigned to ore blocks. Mining costs common to all material types were assigned to all model blocks.

AMC applied mining cost parameters based on similar sized operations in the region from AMC's database.

DIRECTORS' REPORT (continued)

All parameters used were in the normally acceptable range of costs of similar mining operations. Whittle Four-X pit optimisation software was used to determine economic limits for open pit mining from the resource model, geotechnical model, operating costs, metal price and metal recovery.

A family of pit shells is generated using different metal prices, as a revenue factor (RF) of input metal price, to determine the ore and waste tonnes to achieve the maximum undiscounted operating cost surplus for that metal price.

Study Results

The results from the Mt Celia Mining Study are encouraging, for both the Kangaroo Bore and Blue Peter deposits and provide the Company with significant confidence of project economics moving forwards under a toll treatment option.

Nested pit shells were generated at varying metal prices and evaluated at the base case metal price. Pit shells that provided a reasonable balance between value and mine life were selected as the basis for pit design for both the Blue Peter and the Kangaroo Bore deposits. Legacy Iron notes that there is potential for a smaller pit shell to provide a stronger positive outcome.

Several open pit design options were undertaken, assuming either toll treatment or a new mill arrangement, as a basis for mine schedule optimization and evaluation. The study confirms that the Mt Celia project has potential to be a technically and economically viable project through a toll treating option. Additional work will be undertaken to confirm the findings of the Mt Celia Mining Study, such as detailed CAPEX, OPEX estimates and firming up toll treating arrangements.The Company is currently in discussions with processing plant operators in the area.

A plan view of the designed pits for the toll treatment option is shown in Figure 6 and 7 below.

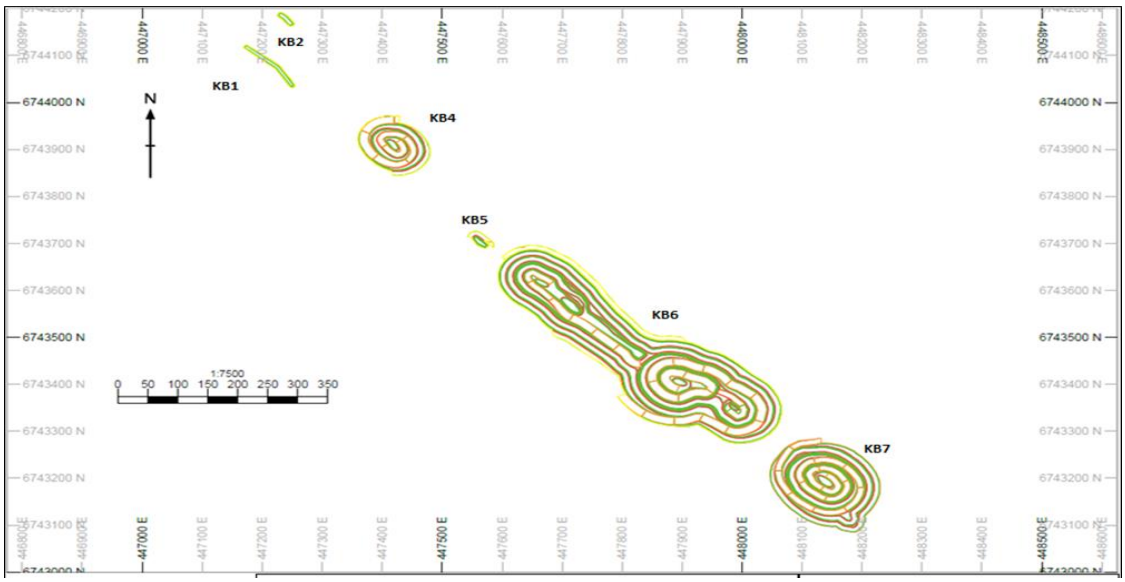

Figure 6. Mt Celia Gold Project – Plan View of the Kangaroo Bore toll treatment pit

DIRECTORS' REPORT (continued)

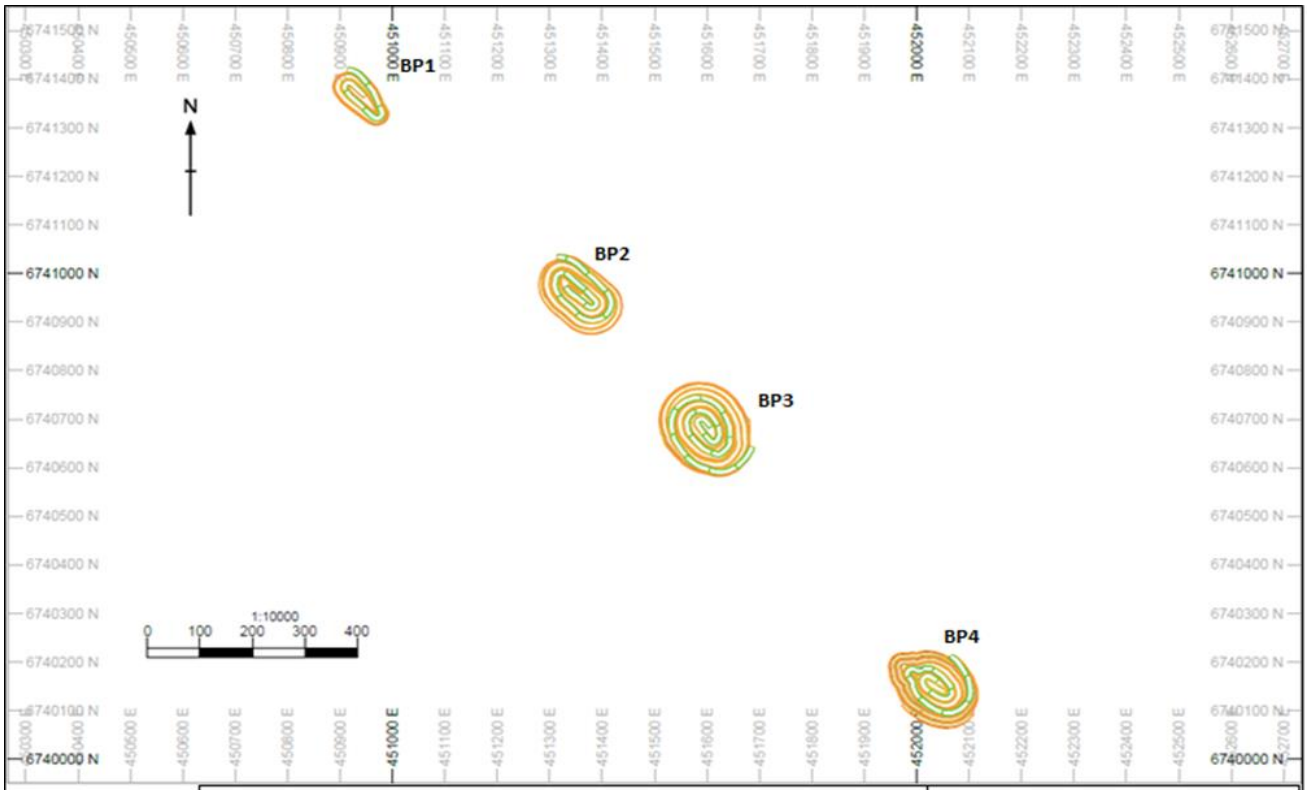

Figure 7. Mt Celia Gold Project – Plan View of the Blue Peter toll treatment pit

Next steps

The next half-yearly plan for the Mt Celia project includes the following main objectives:

- Complete waste characterisation studies for the project
- Enter into stakeholder's agreement to expedite the grant of Mining Lease
- Interpretation of the received assay results of June 2021 RC drilling
- Revise the resources after incorporating June 2021 RC results
- Update the pit optimisation study on new resource model

Yilgangi Project

The Yilgangi project forms part of Legacy Iron's South Laverton Gold Project. The Yilgangi Project includes two exploration tenements (E31/1019 and E31/1020) and two mining leases (M31/426 and M31/427) and contains numerous gold occurrence/anomalies including the Golden Rainbow prospect where historically several drill holes have been completed and gold mineralisation was tested to a shallow depth only.

In 2019, a comprehensive soil sampling campaign was completed on tenements E31/1019 and E31/1020 to explore for potential strike extensions to mineralisation at the Golden Rainbow deposit. The soil sampling results (by MMI analysis) have delineated several northwest-striking anomalies parallel to regional geological strike and structures (Figure 8).

DIRECTORS' REPORT (continued)

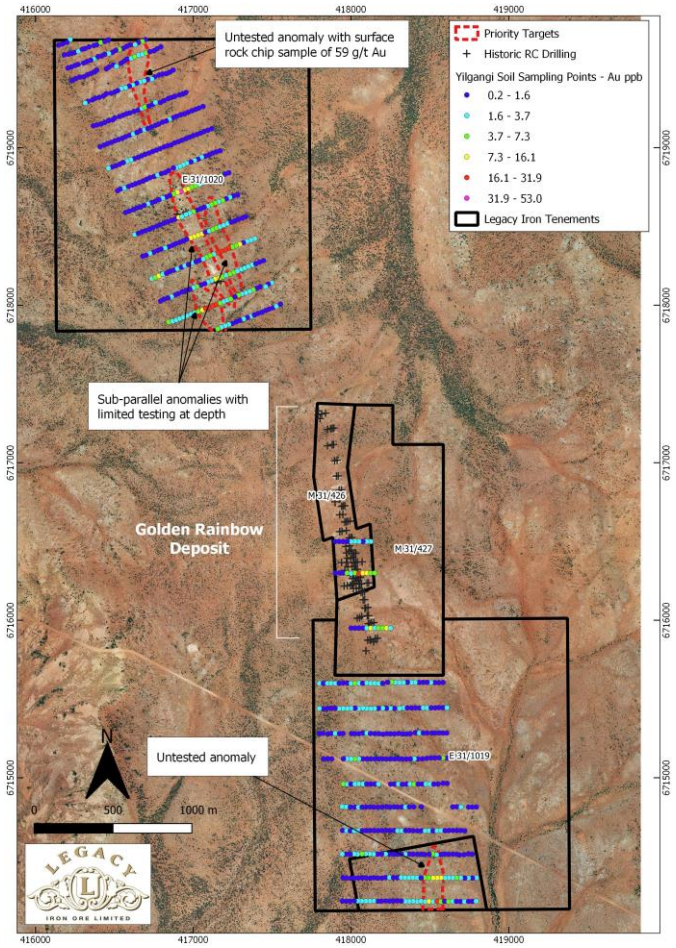

Figure 8: Priority areas for follow-up exploration based on soil sampling results (MMI analysis)

These anomalies were drill tested during the RC drilling campaign conducted during December 2020 and returned positive result for gold mineralisation in the upper exploration tenement.

RC Drilling:

An RC drilling programme was completed at Yilgangi in June 2021 totaling 1335m in 25 holes. Holes were drilled to test the continuity of known mineralisation at Rainbow and Golden Rainbow prospects. A MMI soil anomaly located south of the known resources was also drill tested.

The locations of drilled RC holes in this period are given below in Figure 9. The samples of the drilling campaign were sent to SGS lab for assay. The Company is currently waiting on final assay results which will be reported to the ASX after interpretation.

DIRECTORS' REPORT (continued)

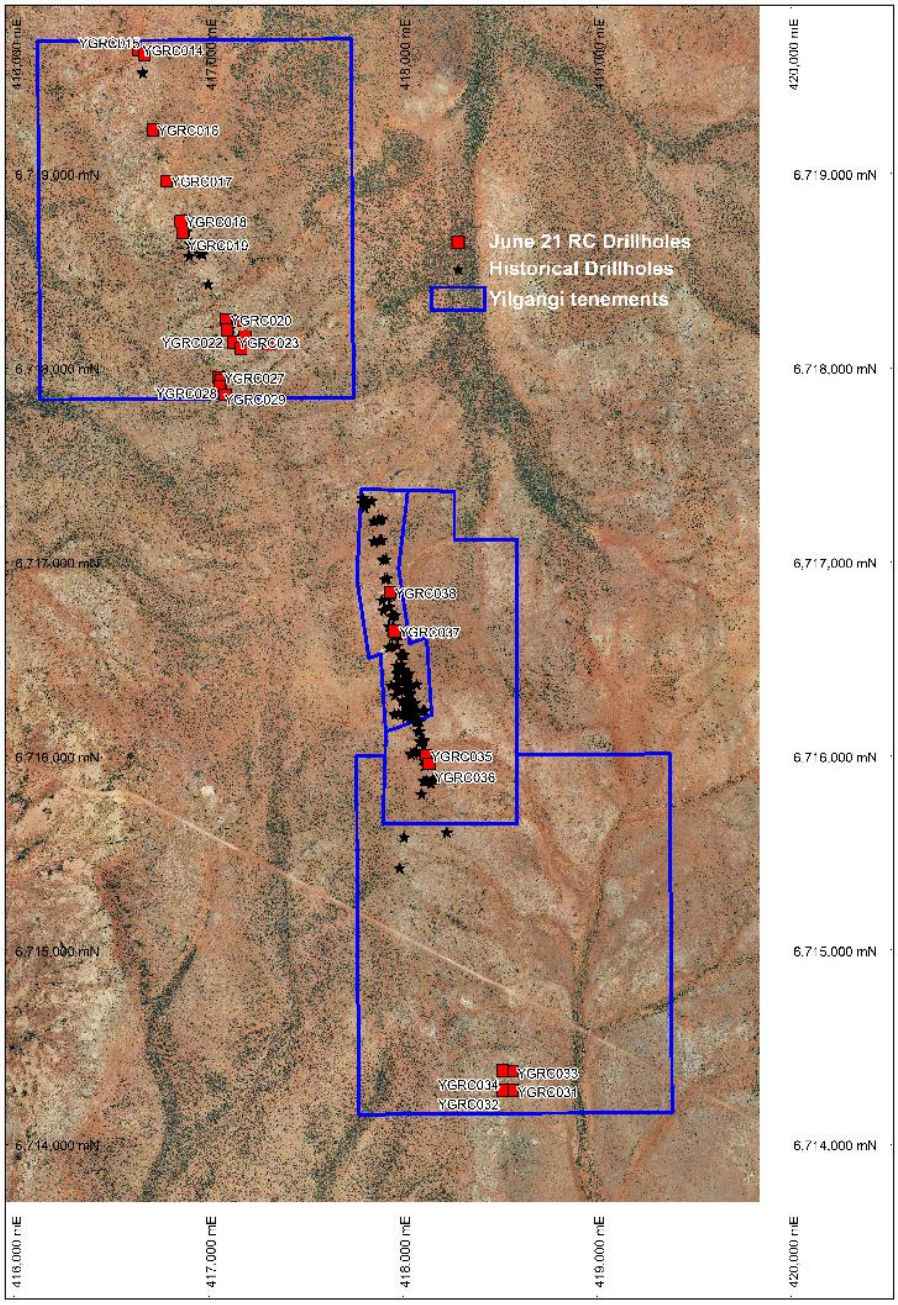

Figure 9: Yilgangi Project- Location of RC drill holes June 2021

Next steps

The next exploration plan for the Yilgangi project includes the following main objectives:

- Resource estimation for the gold mineralisation
- Follow up RC drilling to fully evaluate mineralisation boundary

DIRECTORS' REPORT (continued)

Sunrise Bore Project

The Sunrise Bore project lies some 12 km east of the world class Sunrise Dam gold mine operated by Anglo Gold Ashanti (Figure 2). A number of prospective shear structures have been identified within the project area associated either with gold anomalism noted in earlier field work and/or nugget gold found by recent prospecting.

Work done to date has identified numerous anomalies (Figure 10) for follow-up.

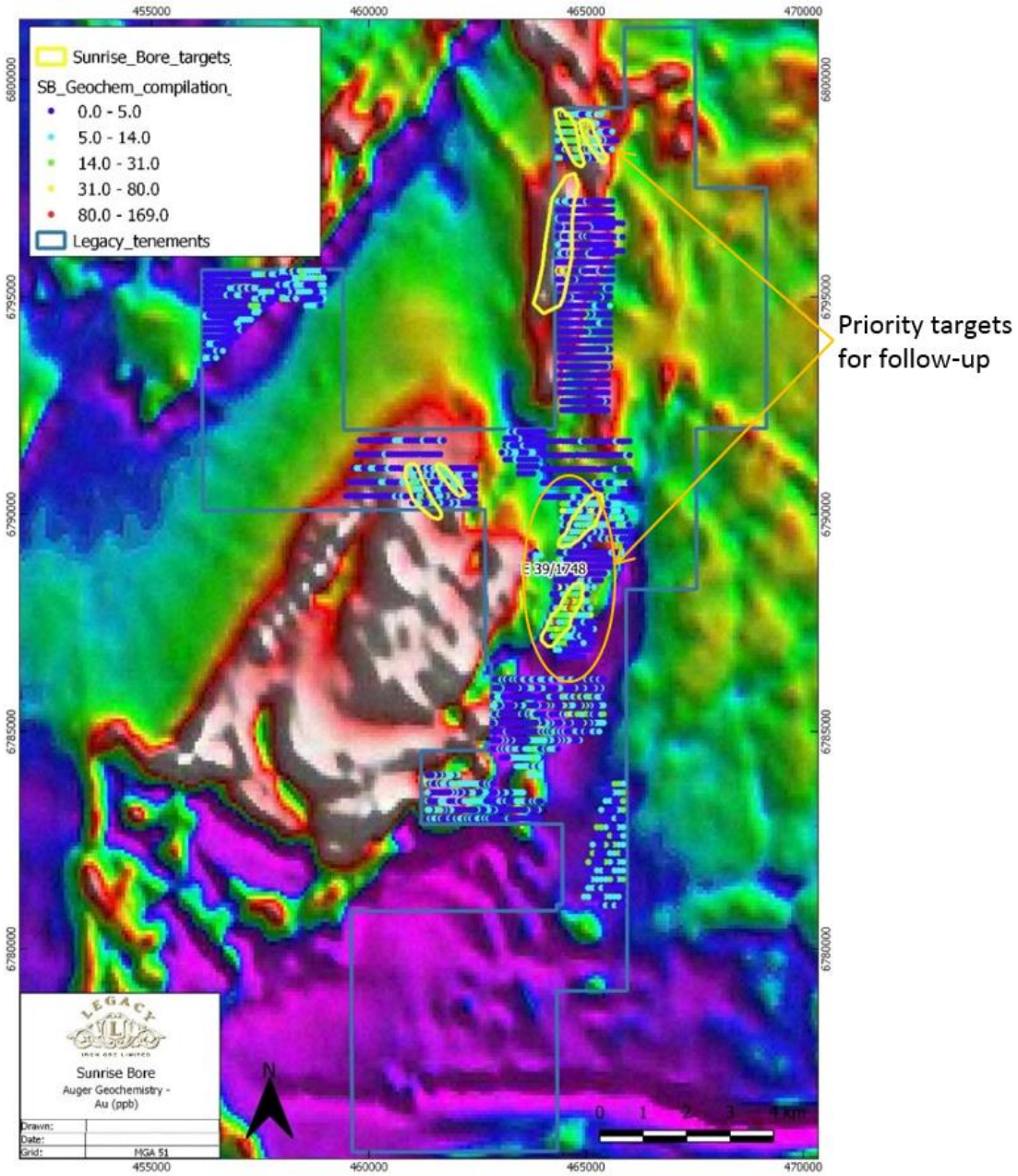

Figure 10: Sunrise Bore Project- Delineated au anomaly after auger geochemical analysis

DIRECTORS' REPORT (continued)

RC Drilling:

In the past, significant geochemical auger soil sampling covered the significant portion of the tenement. The geochemical assays resulted in the identification of high priority gold anomalies, the best of which was the anomalism at Kingsley 1 and 2. An RC exploration drilling programme has been completed over Kingsley 1 and 2 anomalies in June 2021 comprising 1133m of RC drilling for 17 holes. The drill collars are shown in Figure 11.

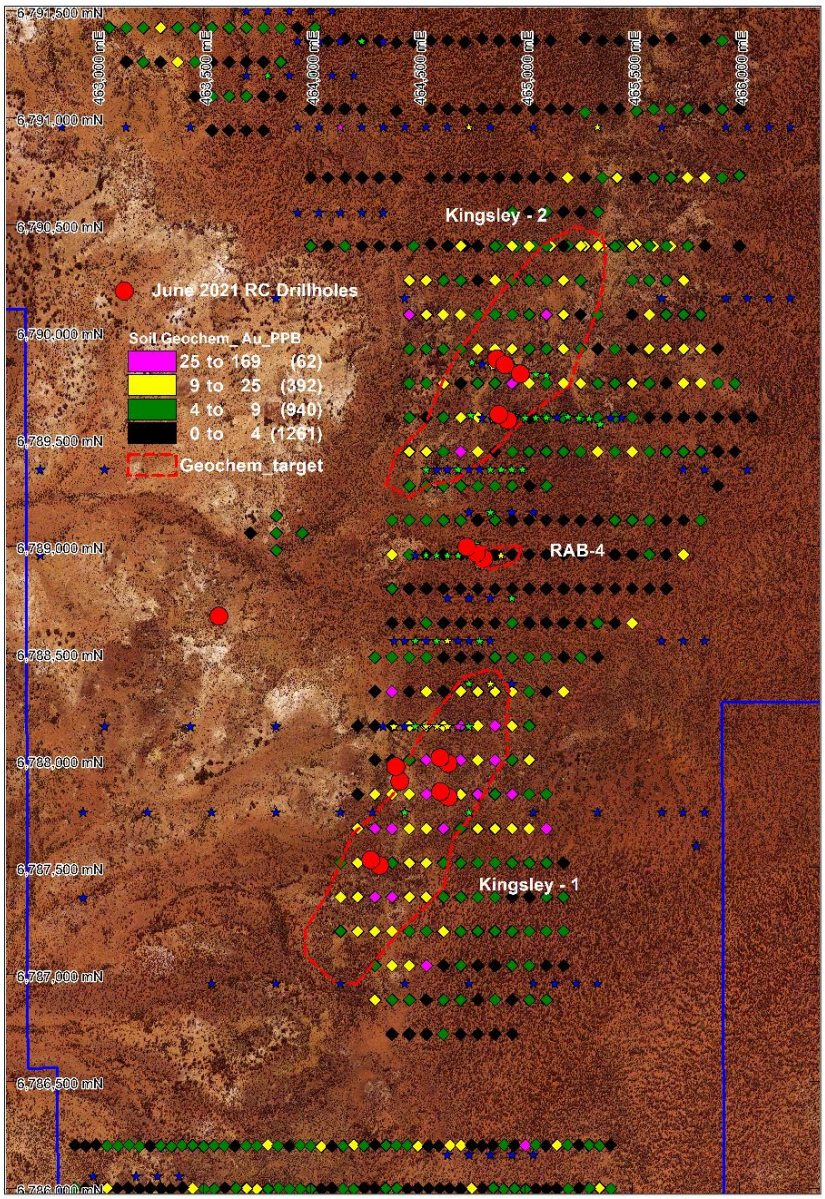

Figure 11 Sunrise Bore Project- RC drillhole locations June 2021

DIRECTORS' REPORT (continued)

Drilling Results:

The assays of the Company's maiden RC campaign in the tenement were received and the drilling intercepted following major mineralisation for gold (please see ASX announcement dated 6 October 2021):

- **3 m at 2.06 g/t Au from 47 m in SBC03 including 1 m at 4.02 ppm from 47 m**
- **2 m at 0.95 g/t Au from 53 m in SBC05 including 1 m at 1.26 ppm from 53.**
- **1 m at 0.75 g/t Au from 36 m in SBC06.**

A total of 3 holes, out of 17, returned mineralisation, maximum value received was 4.02 ppm in SBC 03 at 47m drilled depth. The result provides confidence in the mineralisation. The results are provide additional scope for further investigation to define strike and depth continuity of the mineralisation.

Patricia North Project

The Patricia North tenement is part of our South Laverton gold project. The Project lies in and adjacent to a major deformation zone that hosts significant gold mineralisation. The project area flanks a small internal granitoid stock along strike of the now- abandoned Patricia open cut gold mine.

Legacy Iron has previously undertaken two phases of RAB drilling to test surficial geochemical anomalies. This drilling produced encouraging gold intersections. Drilling has defined three to four zones of mineralisation over some 700m.

The mineralisation has been followed up in recent years by rock chip sampling/ geological traversing and it was confirmed that the thin quartz veins which have intruded into the shear zones are mineralised. Past rock chip samples yielded significant assay values.

During the period, geological traversing and rock chip sampling was undertaken to fully evaluate surface signatures of gold mineralisation. The assay results are awaited.

The Company plans to drill test the tenement in the near future.

DIRECTORS' REPORT (continued)

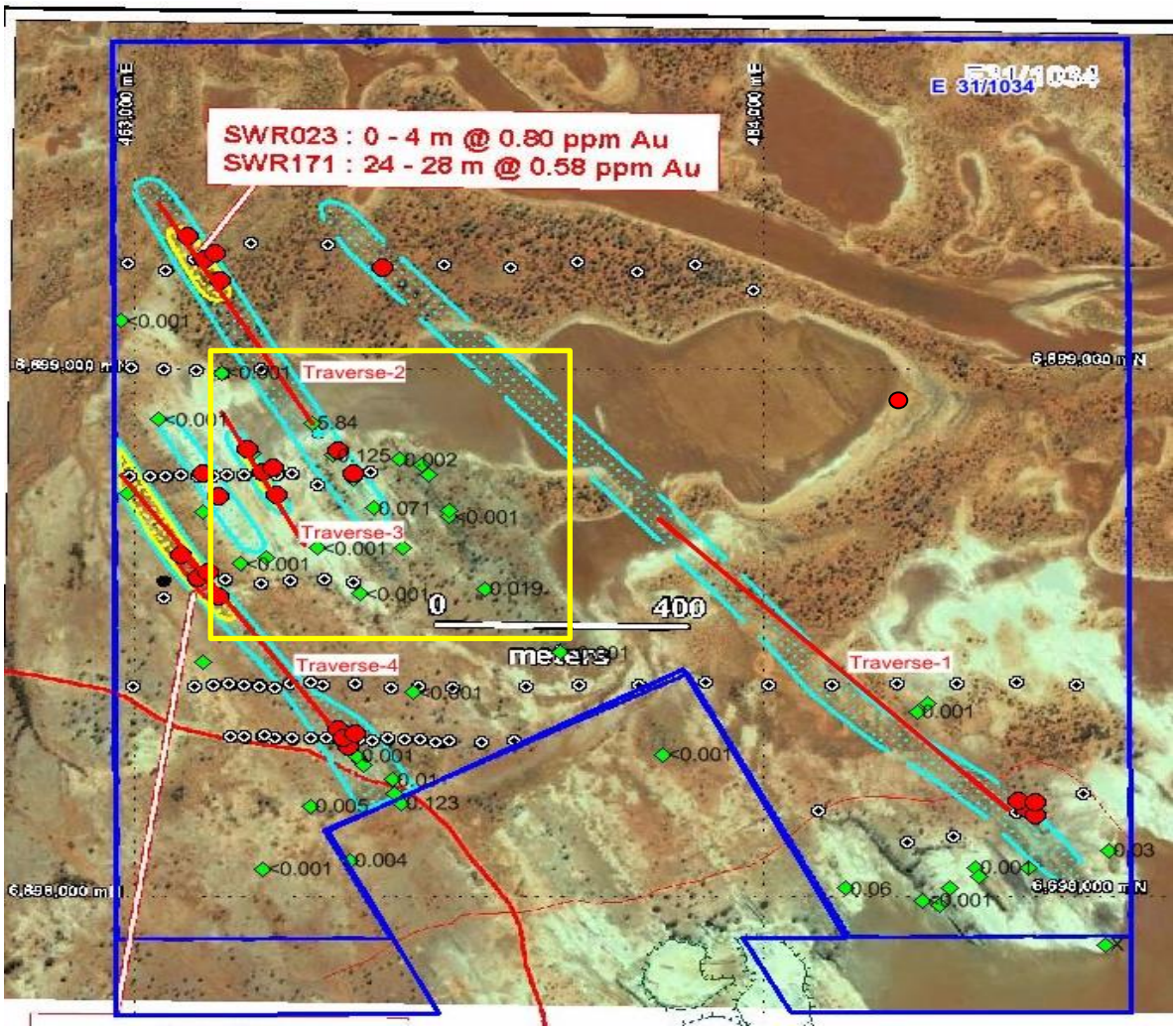

Figure 12. Patricia North planned drillholes over mineralised zones

Mt Bevan Project

The Mt Bevan Project is a joint venture between Legacy Iron (60% interest) and Hawthorn (40%). The project is a large tenement which hosts 1,170 Mt of magnetite resource @ 34.9% Fe (refer Table 2 below) as well as a potential for discovery of nickel–copper mineralisation in the northern most part of the tenement.

Mt Bevan Iron Ore:

Mt Bevan is considered to hold excellent potential for the definition of major magnetite resources located relatively close to existing road, rail and port facilities. The project also has potential for DSO hematite discoveries.

Successful exploration and resource definition program carried out so far underpins the potential for a large-scale development at Mt Bevan (*refer Table 2 below for the current resource estimate and Figure 13 for a representative cross section*). Legacy Iron continues to work with its 40% JV partner, Hawthorn, regarding the scope, timing, and funding of further phases for the project.

DIRECTORS' REPORT (continued)

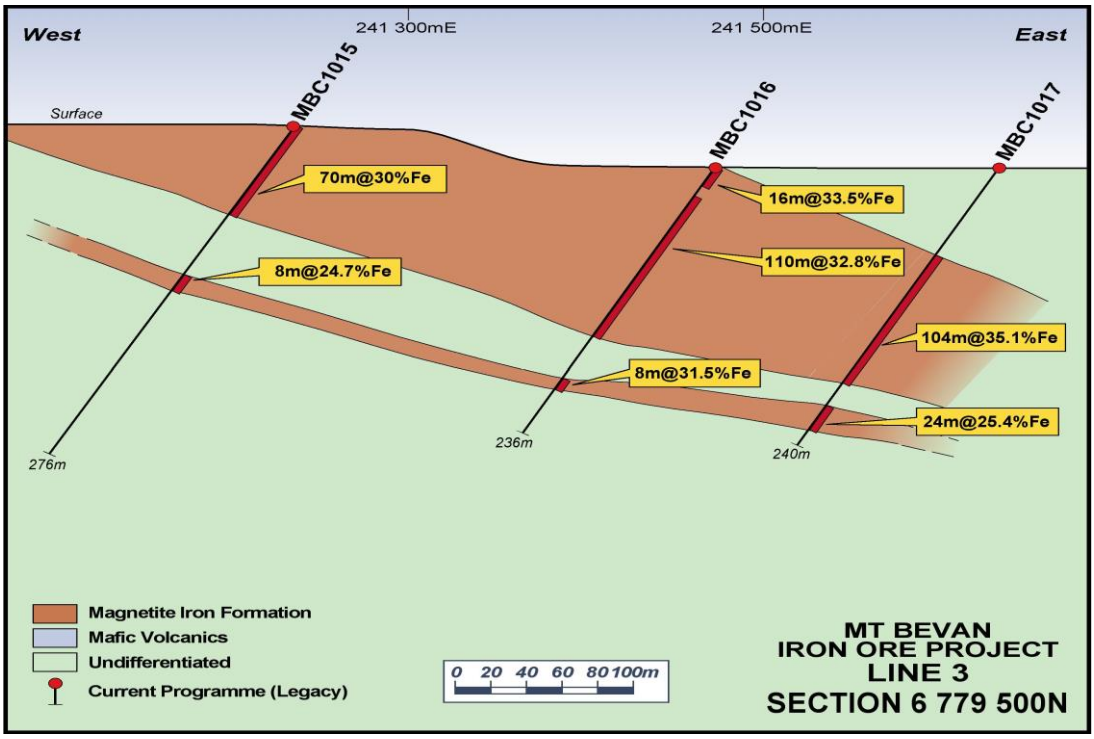

Figure 13: Drilling Cross Section - Lines 3

Mt Bevan Fresh BIF Resource											
Class	**Material**	**Tonnes x 10^6**	**Fe %**	**SiO_2 %**	**Al_2O_3 %**	**CaO %**	**P %**	**S %**	**LOI %**	**MgO %**	**Mn %**
Indicated	*In situ* Total	322	34.7	46.2	0.57	1.35	0.054	0.131	-1.05	1.91	0.31
	In situ Magnetic*	44.18%	30.0	2.4	0.01	0.08	0.005	0.053	-1.38	0.05	0.01
	Concentrate	142	68.0	5.5	0.02	0.18	0.012	0.130	-3.12	0.12	0.03
Inferred	*In situ* Total	847	35.0	45.6	0.77	2.00	0.063	0.39	-1.15	1.77	0.04
	In situ Magnetic*	45.70%	30.8	2.8	0.01	0.06	0.004	0.042	-1.37	0.03	0.01
	Concentrate	387	67.5	5.9	0.03	0.14	0.009	0.096	-3.00	0.06	0.02
Total	*In situ* Total	1,170	34.9	45.8	0.71	1.82	0.060	0.137	-1.12	1.81	0.11
	In situ Magnetic*	45.28%	30.6	2.7	0.01	0.07	0.004	0.045	-1.37	0.03	0.01
	Concentrate	530	67.7	5.80	0.03	0.15	0.010	0.105	-3.03	0.07	0.02

Table 1 Mt Bevan Resource Estimate

*In situ Magnetic is the material that is expected to report to the magnetic fraction. The in situ Magnetic quantities in the Tonnes column are expressed as the percentage of the in situ Total tonnes (as estimated from Davis Tube Mass recovery) The Company confirms that it is not aware of any new information or data that materially affects the information included in these announcements and that all material assumptions and technical parameters underpinning the resource estimate in the prior announcements continue to apply and have not materially changed. - See ASX announcement 17 December 2013.

DIRECTORS' REPORT (continued)

Mt Bevan Nickel – Copper & DSO:

The Mt Bevan Project is located immediately south of St George Mining Limited's (ASX: SGQ) Mt Alexander Project (Figure 14). St George Mining has had significant success identifying nickel-copper sulphide mineralisation at Cathedrals, Stricklands and Investigators along the Cathedrals Shear zone (refer to St George Mining Limited ASX announcements).

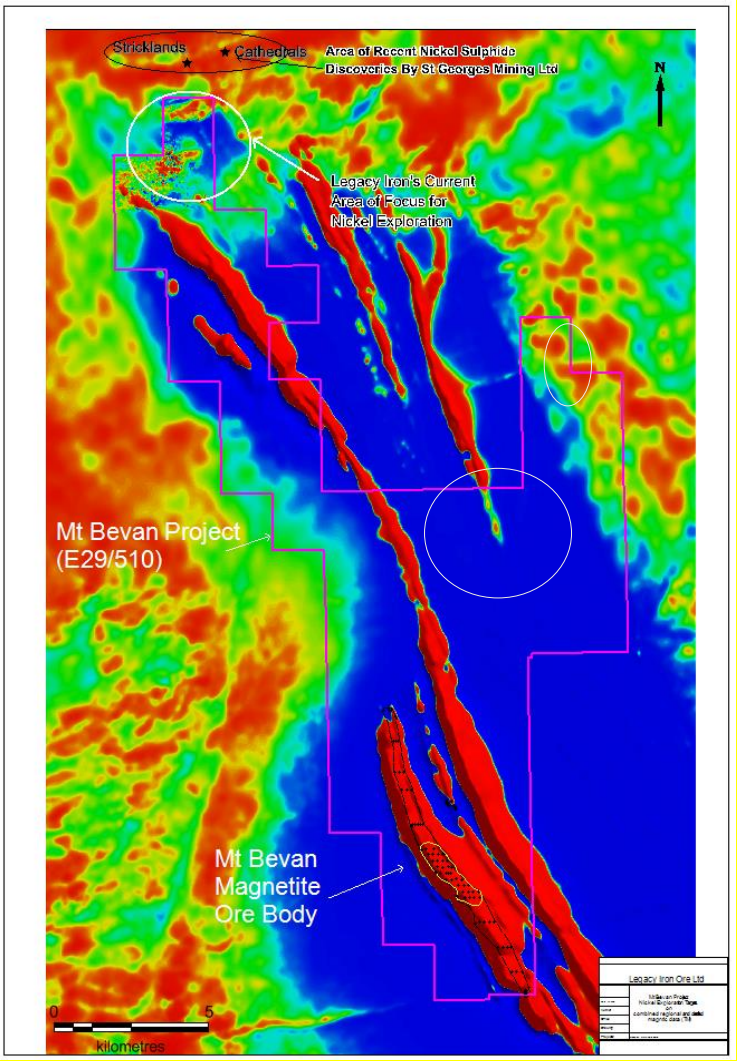

Figure 14: Mt Bevan Project – airborne magnetics data (TMI) showing area of interest for nickel sulphide mineralisation

The Company continues to assess the prospectivity for Hematite (DSO) discovery in the southern and central portion of tenement holding, along strike from the Mt Mason deposit.

In June 2021 an RC drilling programme was completed at the Mt Bevan project, and 1378 m in 13 holes were drilled. The programme aimed to explore DSO mineralisation in the southern part of the tenement and to drill test remaining Nickel sulphide targets in the Northern most part of the tenement. In this programme RC drilling for Nickel Sulphides was undertaken in 3 holes for 363m. RC Drilling for Hematite Mineralisation was undertaken for 10 holes for 1015 m.

DIRECTORS' REPORT (continued)

The map showing the drillhole locations for Nickel sulphide exploration is given below in Figure 15.

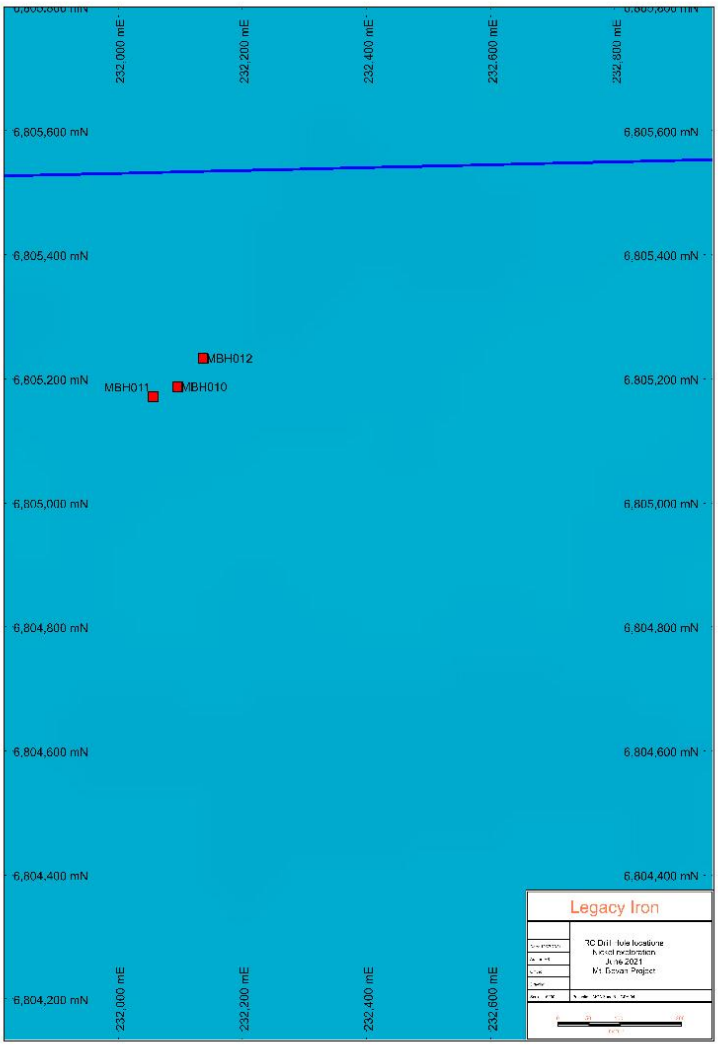

Figure 15. Map showing drillholes for Nickel Sulphide mineralisation

For DSO exploration drill holes were planned in the southern part of the tenement and in the strike continuity of the Mt Mason deposit. This area of the tenement was traversed in the last week of April 2021. Efforts were undertaken to find outcrops of Hematite on the surface and to track the outcrop for strike continuity and estimation of possible thickness of orebody.

Rock chip samples were collected from various parts of the BIF ore body. The possible cross cutting fault planes (east – west) and streams were targeted for rock chip sampling. The map showing the rock chip locations and received Fe percentage is given below in Figure 16.

DIRECTORS' REPORT (continued)

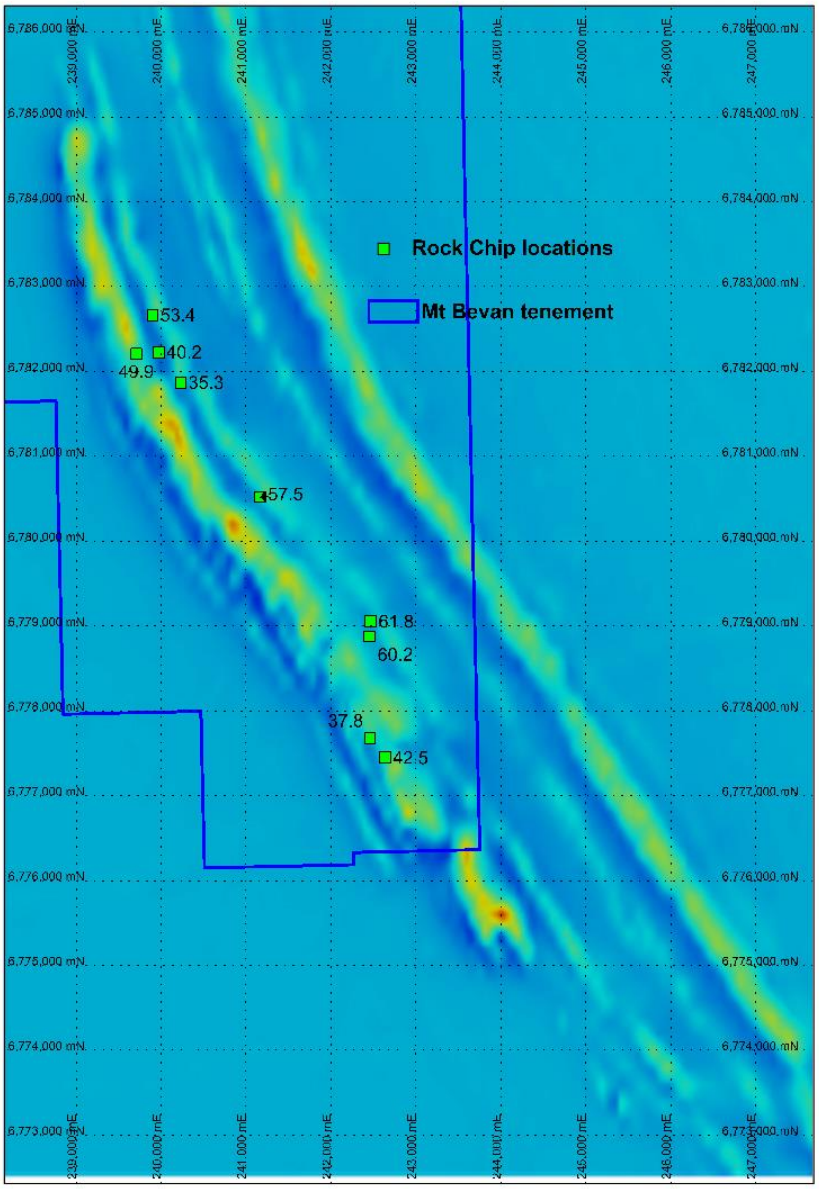

Figure 16. Map showing rock chip sample location and Fe%

Geophysical consultant Newexco interpreted the existing ground magnetic data in order to suggest possible cross cutting fault planes associated with zones of low magnetism, the most probable targets for Hematite mineralisation in the area.

Newexco has reprocessed the 200m lines spacing aeromagnetic data and used them for the interpretation. Several E-W/SW-NE faults/structures were interpreted using the 1VD and Tilt derivative and analytic signal images. Three high priority areas were selected for the targeting DSO Hematite where the possibility of cross cutting fault planes exists. The map showing the ground magnetic data interpretation is given below in Figure 17.

DIRECTORS' REPORT (continued)

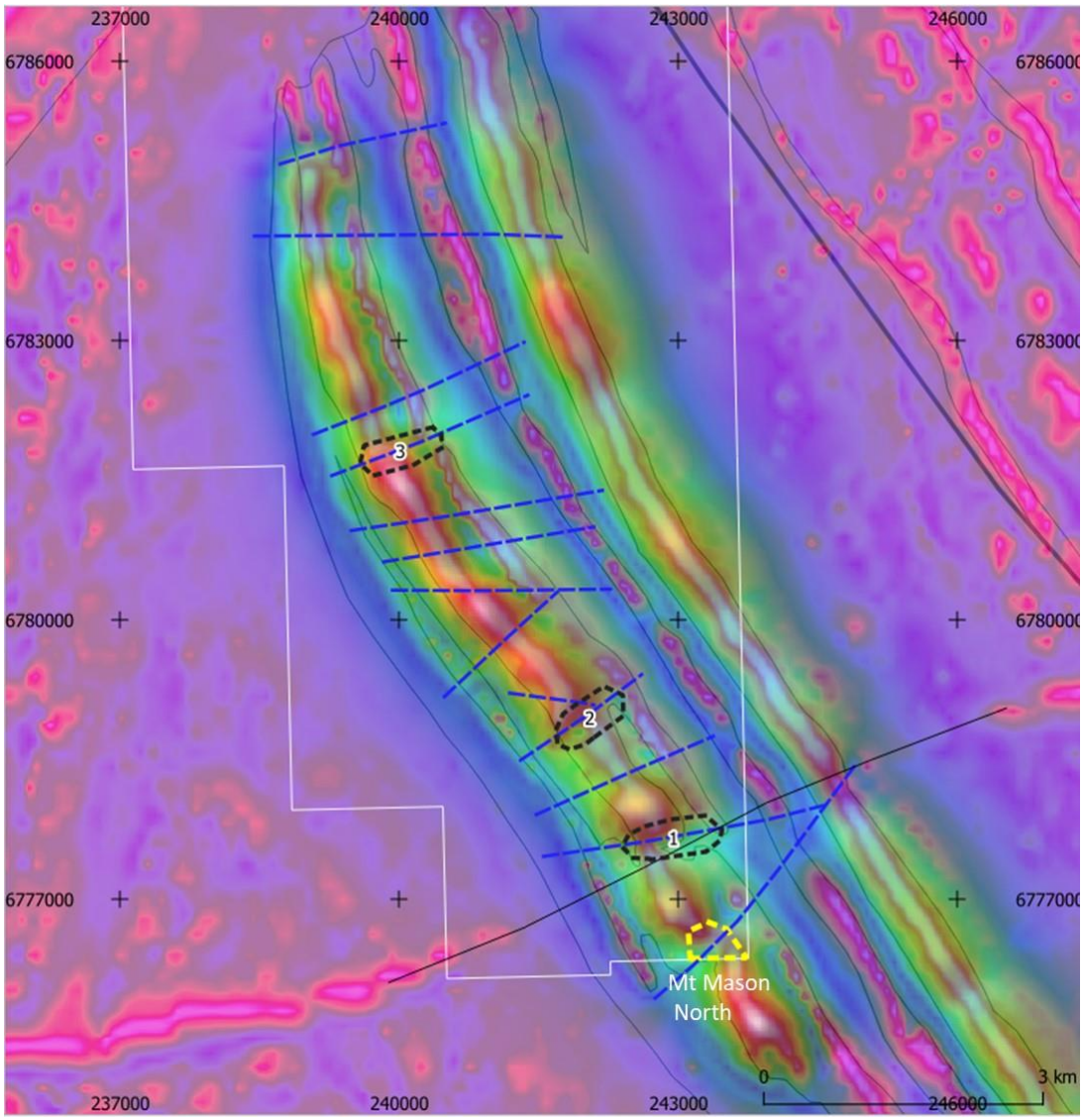

Figure 17. Ground Magnetic data interpretation showing interpreted fault planes.

The drillholes for DSO were planned on the basis of rock chip sampling observations, assays and ground magnetic interpretation. Most of the drillholes are testing the possible fault planes and exposed DSO mineralisation. The location of drillholes is given below in Figure 18. The samples of the drilling campaign were sent to SGS lab for assay. The Company is waiting final assays which will be reported to the market in due course.

DIRECTORS' REPORT (continued)

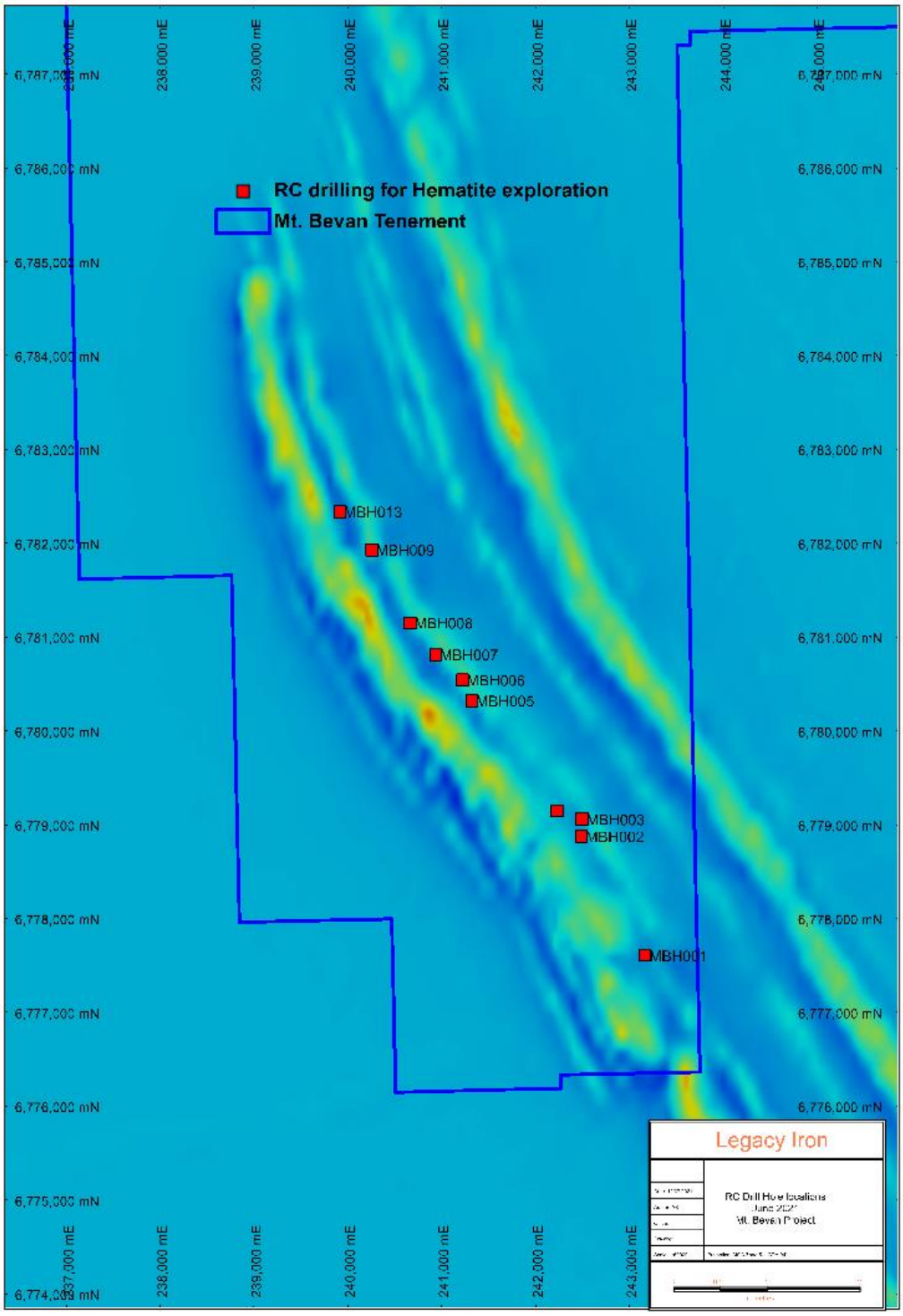

Figure 18 Drillholes over interpreted fault lines

DIRECTORS' REPORT (continued)

Downhole Electromagnetic Survey:

MBH011 was drilled to 123m as a stratigraphic hole. No significant sulphides were intersected in the hole. However, Hole MBH011 intersected a thin zone of ultramafic unit (peridotite) from 41m to 43m based on the logging. It was then recommended for DHEM survey to detect any nickel sulphides in proximity to drillhole MBH011.

The DHEM survey was completed from 5m to 113m on 30 July 2021 by Vortex Geophysics. No anomalous response consistent with a confined bedrock conductive source was identified in proximity to Hole MBH011.

A strong anomalous response was observed on the top section (0m to 20m) in all three components. This coincides with a strong magnetic response. Newexco interpreted that this strong response is interpreted to be caused by the transmitter loop and/or magnetic materials at the surface.

Several weak and high frequency responses were observed at a downhole depth of 42m, 80-85m and between 102.5m to 110m. These responses coincide with changes in the magnetic response measured by the DHEM probe in the hole. Newexco interpreted that these weak and high frequency responses are interpreted to be caused by geological features such as sharp contact.

Forward models were erected to see whether this DHEM survey could have detected a similar conductor to the Cathedrals style conductor (~10mx10m, 10000 Siemens with a flat lying target). The forward model response (red profiles) shows that this DHEM survey could have detected a similar target in close proximity to the drillhole (50-60m radius from drillhole).

It was concluded that no bedrock conductive source was identified in proximity to Hole MBH011 based on this survey. A weak response observed at early to mid-times corresponded with the ultramafic unit intersected in the hole. Newexco believes this weak response is interpreted to be changes in the geology rather than from a confined conductor.

Next Steps

The next half-yearly exploration plan for the Mt Bevan project includes following main objectives:

- Interpretation of assay results.
- Follow up exploration planning for the project.

DIRECTORS' REPORT (continued)

Koongie Park Project

Legacy Iron holds exploration licence E80/4221 that is contiguous with ground under exploration by Auking- Anglo Australian Resources Limited (AAR) at its Koongie Park VMS base metals deposit (Figure 19). AAR has defined substantial base metal/gold/silver mineralisation in the deposits to date and AuKing has some recent success in getting mineralisation.

The possible VMS style of deposit is known worldwide to occur in clusters and often the early discoveries in these camps are not the largest. Work completed by Legacy Iron at Koongie Park revealed a number of base metals, gold and rare earth elements (REE) anomalies (Figure 19).

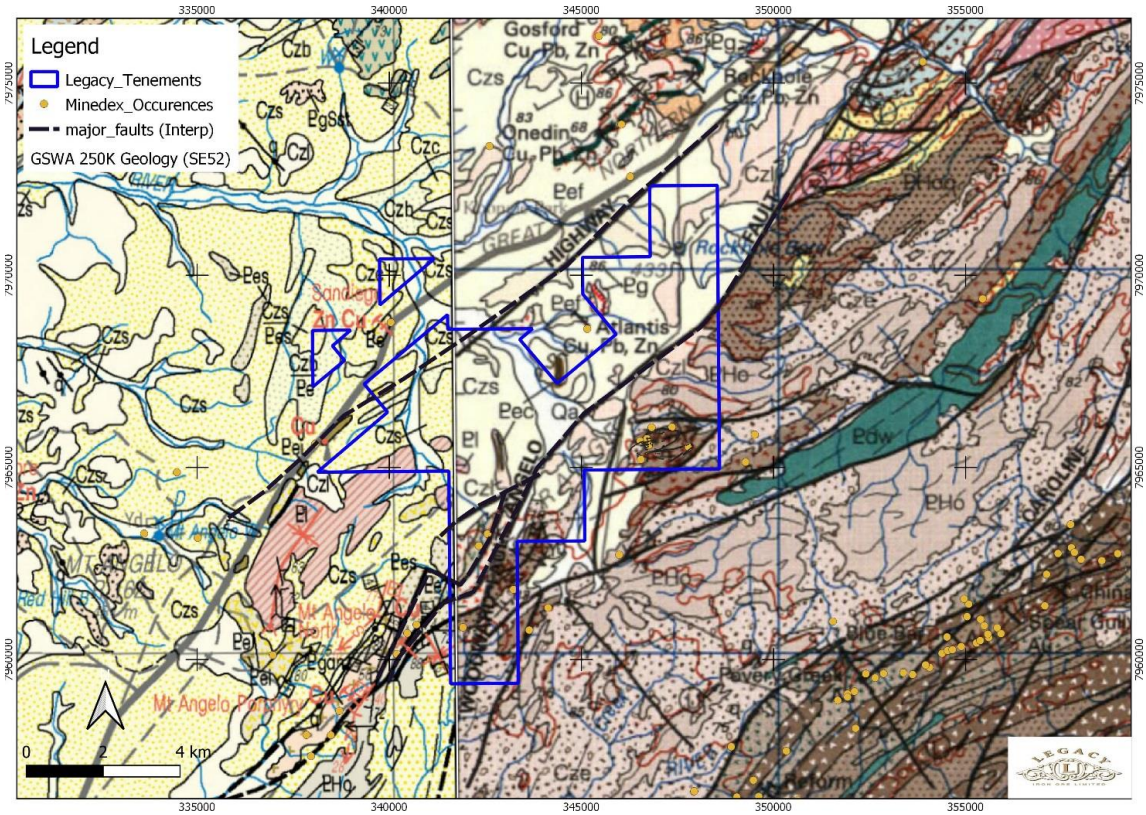

Figure 19: GSWA 250k geology and Minedex occurrences and prospects at Koongie Park

In 2013 Legacy Iron flew an airborne EM survey across the project. Interpretation of the data revealed a number of anomalies that were targeted in 2015 RC drilling. No anomalous base metals values were intersected nor were the sources of the EM anomalies identified.

DIRECTORS' REPORT (continued)

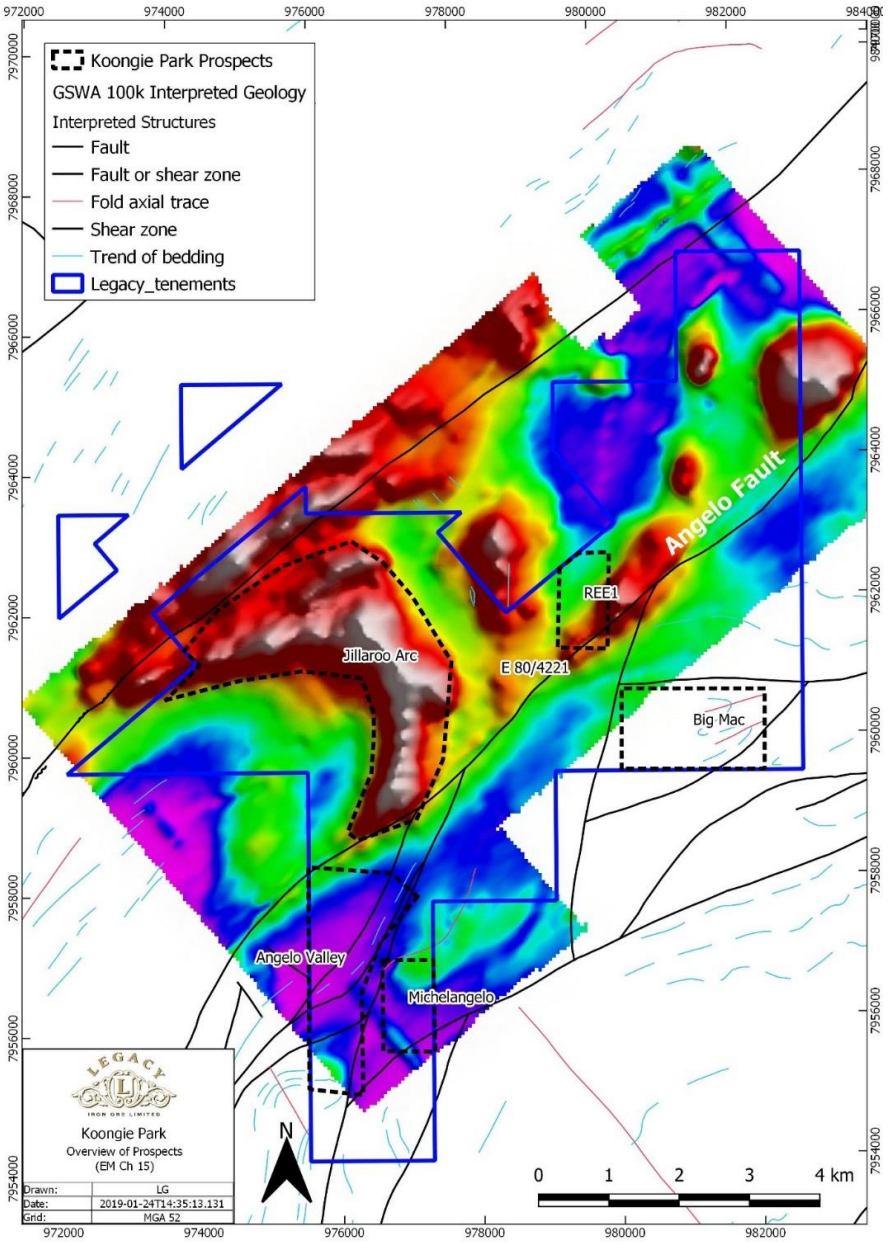

Figure 20. Prospects at Koongie Park project and EM Ch15 with GSWA interpreted structures

MLEM Survey:

During this half-yearly period, ground geophysical, a Moving Loop Electromagnetic (MLEM) survey was completed for the identified targets.

Six target areas were identified based on the geochemical anomaly analysis and ground Electromagnetic Survey was planned over them (Figure 21).

DIRECTORS' REPORT (continued)

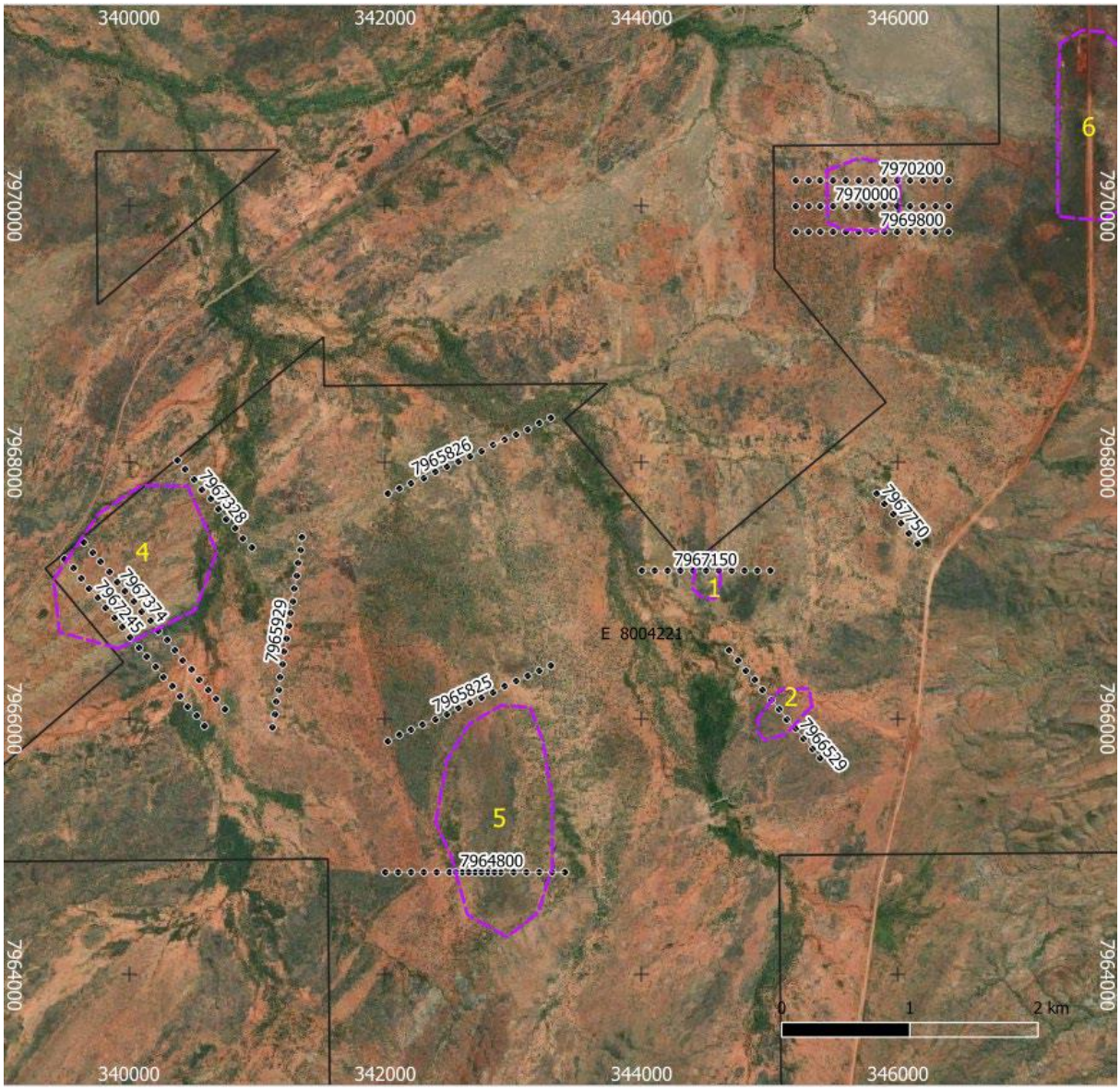

Figure 21: MLEM-Slingram survey stations and Geochem Anomaly locations over the google photo

Between 3 July 2021 and 6 August 2021, a MLEM-Slingram survey was completed over nine targets identified by interpretation of geochemistry, geology and an AEM survey. The objective of this MLEM survey was to determine the presence of any bedrock conductors that may represent massive sulphide targets.

The field data for the EM survey were interpreted by Geophysical consultant Newexco. Out of the identified targets, Geochem anomaly 2, 4 and 5 were placed by the Newexco in possible targets category and recommended for further work.

DIRECTORS' REPORT (continued)

Next Steps

The half- yearly plan for the Koongie Park project includes the following main objectives:

- RC drilling planning over the received geophysical targets
- Commence Heritage survey if required for the proposed work programme

Sophie Downs (E80/5067)

During this half yearly period, the area was traversed for verification of historically reported graphite, gold, base metals, and tungsten mineralisation. Rock chip samples were collected from the area and the samples were analysed in SGS laboratory, Perth. Ground Electromagnetic survey was carried out in the part of tenement which has malachite exposure.

Rock Chip Sampling:

6 rock chip samples were collected from the targeted part of the tenement, The rock chip samples were analyzed in the SGS laboratory, Perth for Gold by 40 gm fire assay and multi element suite using ICP-MS and ICPAES. The map showing the rock chip locations is given below in figure 22.

The results of the rock chip sampling of the area have delineated a target for Cu-Pb-Zn in the eastern part of tenement and MLEM geophysical survey was designed and conducted during this quarter.

Sample number SDR501 returned following assay values:

Au - 0.36 ppm, Cu - >5000 ppm, Pb- 2420 ppm, Zn - 4840 ppm

Sample number SDR502 returned following assay values:

Au - 0.26 ppm, Cu - >5000 ppm, Pb - 607 ppm, Zn - 2860 ppm

Sample number SDR503 also got assay of Cu as 2880 ppm

DIRECTORS' REPORT (continued)

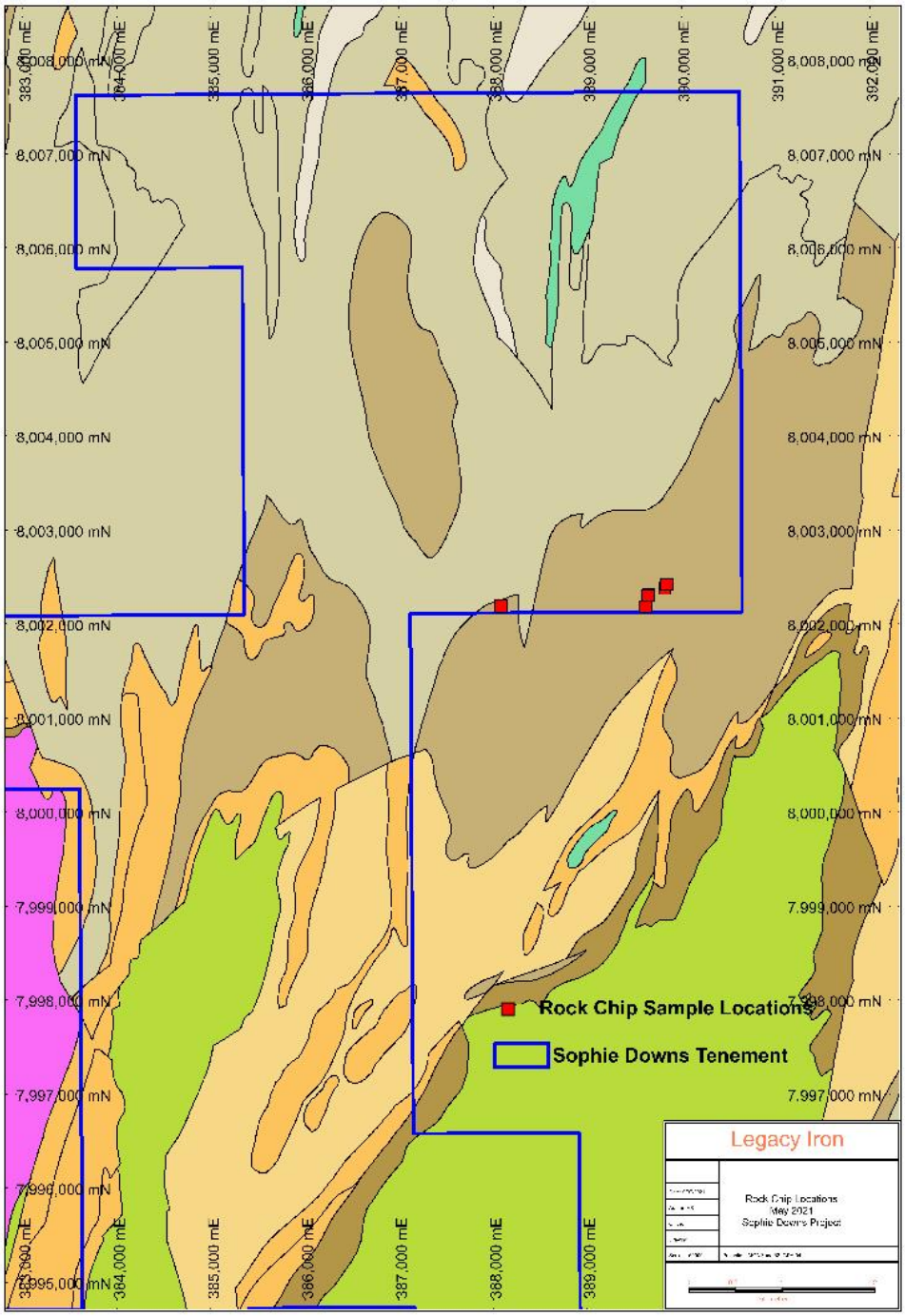

Figure 22: Sophie Downs project- Rock chip sample location

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DIRECTORS' REPORT (continued)

Ground EM Survey:

Ground Electromagnetic survey was carried out in the part of tenement which has malachite exposure and returned good values for copper mineralisation in the area by rock chip sampling.

The MLEM survey was carried out using a base frequency of 0.5 Hz with the Fluxgate B-field sensor. The transmitter loop size was 200x200m operating at 78amps into the loop. Line spacing was 200m and station spacing is 100m and all readings were in loop.

A total of 72 stations were completed along 3 lines. The average production rate was ~15-17 stations per day. The daily production rates were slower than expected due to the difficult terrain. The crew skipped a few stations over the western part of the southernmost line due to the difficult terrain. The data quality is adequate for the system and survey.

Two broad, moderate anomalous responses were observed at early to mid-times over the middle part of the survey area. The time constant of this anomalous response is interpreted to be approximately 10ms. The negative to positive crossovers observed on the Bx component suggests that this is probably caused by a flat lying source. This coincides with the Malachite exposure outlined by the geologist. It is believed that the strong anomalous response observed at early to mid-delay times is probably caused by the formational conductive source such as metasediments/shale unit.

A strong and broad anomalous response was observed over the western end of all three lines. However, this anomaly is not well defined as these lines were approaching a strong conductive source. The times constant of this strong anomalous response is estimated to be around 150ms consistent with a highly conductive bedrock source. It is recommended to extend these lines further to the west if this is geologically encouraging.

A strong discrete anomalous response was observed at late times at 390200E on Line 8006200N. This anomalous response was observed only on the northern most line and is probably still open to the north. The time constant is estimated to be approximately 170ms consistent with a highly conductive bedrock source such as massive sulphides, possibly pyrrhotite dominated.

The map showing the EM survey lines is given in Figure 23.

DIRECTORS' REPORT (continued)

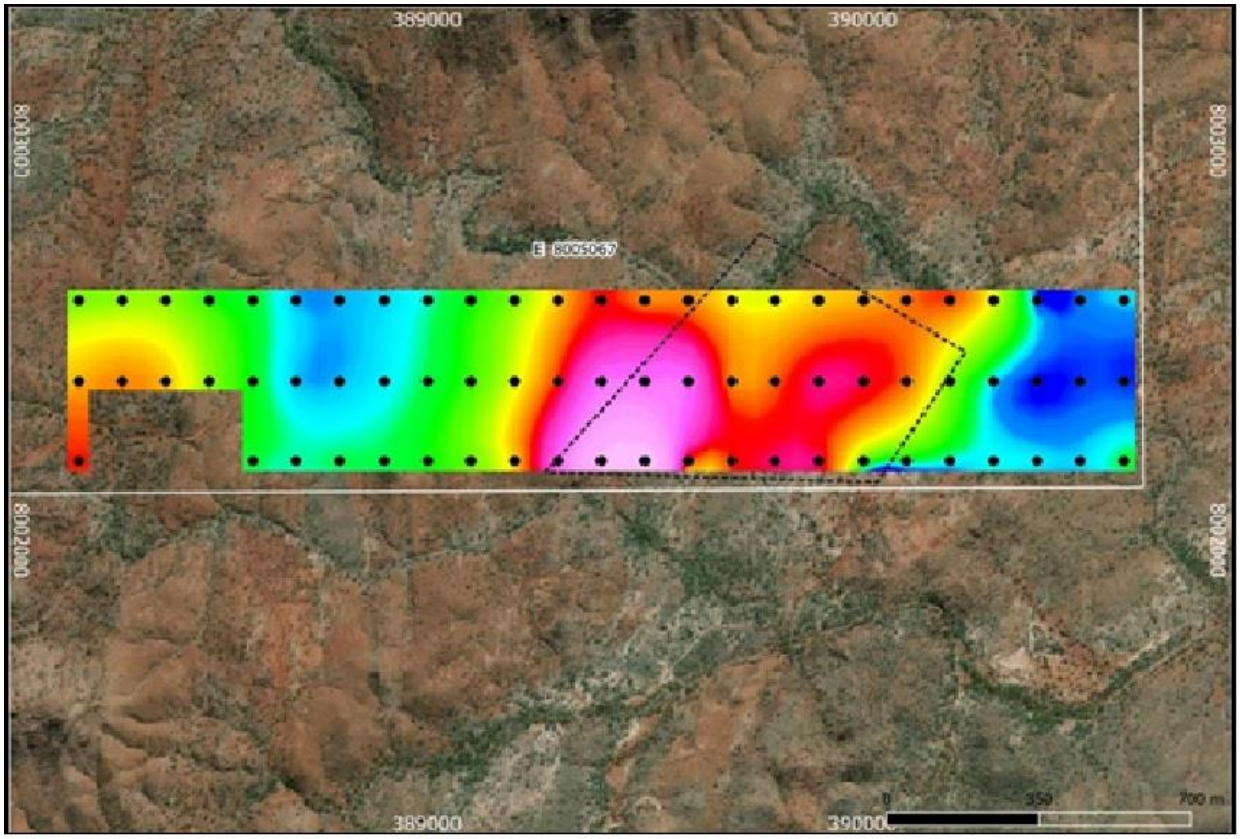

Figure 23: Sophie Downs project- MLEM Survey lines modelled anomalies.

Taylor Lookout (E80/5066)

During this half yearly period a field trip was undertaken in the tenement and the area was traversed to understand the geology of the project. Rock chip samples were also collected from the project from the identified target areas in the north and south of the tenement and they were analysed at the SGS laboratory, Perth.

Rock Chip Sampling:

21 rock chip samples were collected from the various parts of the tenement. The rock chip samples were analyzed in the SGS laboratory, Perth for Gold by 40 gm Fire assay and multi element suite using ICP-MS & ICP-AES. The map showing the rock chip locations is given in Figure 24.

DIRECTORS' REPORT (continued)

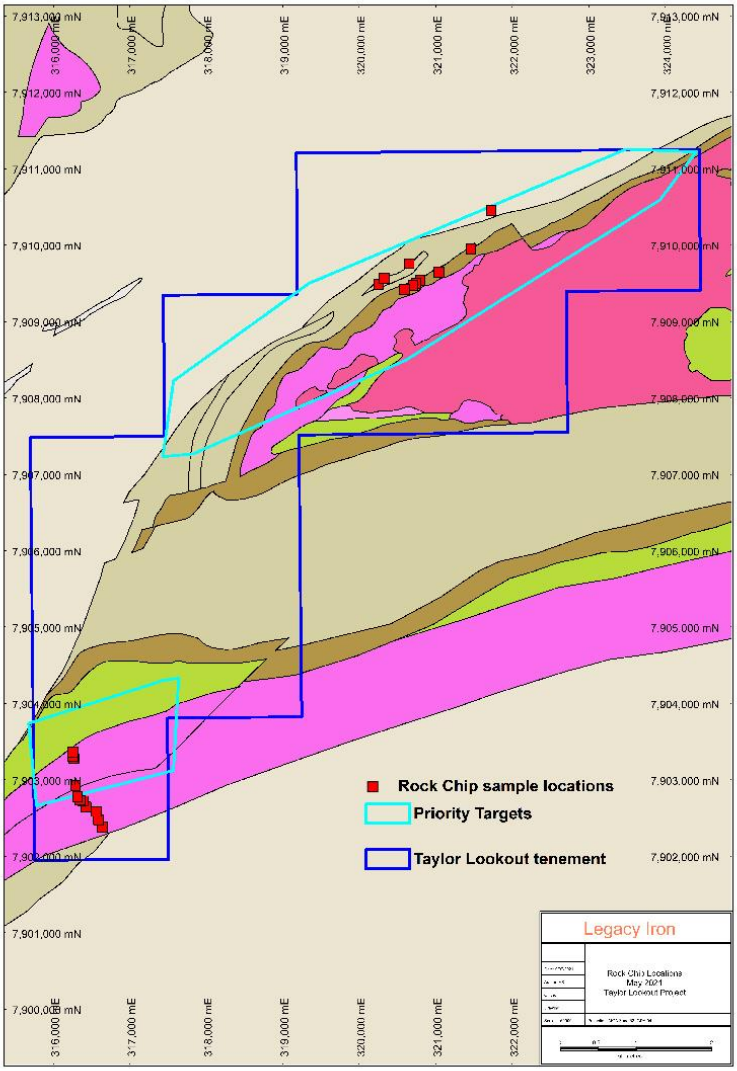

Figure 24: Map Showing Rock chip sample locations at Taylor Lookout

The assay results were not so encouraging with none of the samples returning major anomalous values for Gold, base metals, or Tungsten. There are plans for further exploration in the area for possible base metals and tungsten mineralisation by repeated surface sampling and geological traverses.

Ruby Plains (E80/5068)

During the half yearly period, the area was traversed for identification and verification of historically located tungsten mineralisation. Rock chip samples were collected from the tenement, and were analyzed at the SGS laboratory, Perth.

Rock Chip Sampling:

A total of 13 rock chip samples were collected from various parts of the tenement and the samples were analysed at the SGS laboratory, Perth, for Gold by 40 gm Fire assay and multi

DIRECTORS' REPORT (continued)

elements suite by ICM-MS & ICP-AES. The map showing the rock chip locations is given below in Figure 25.

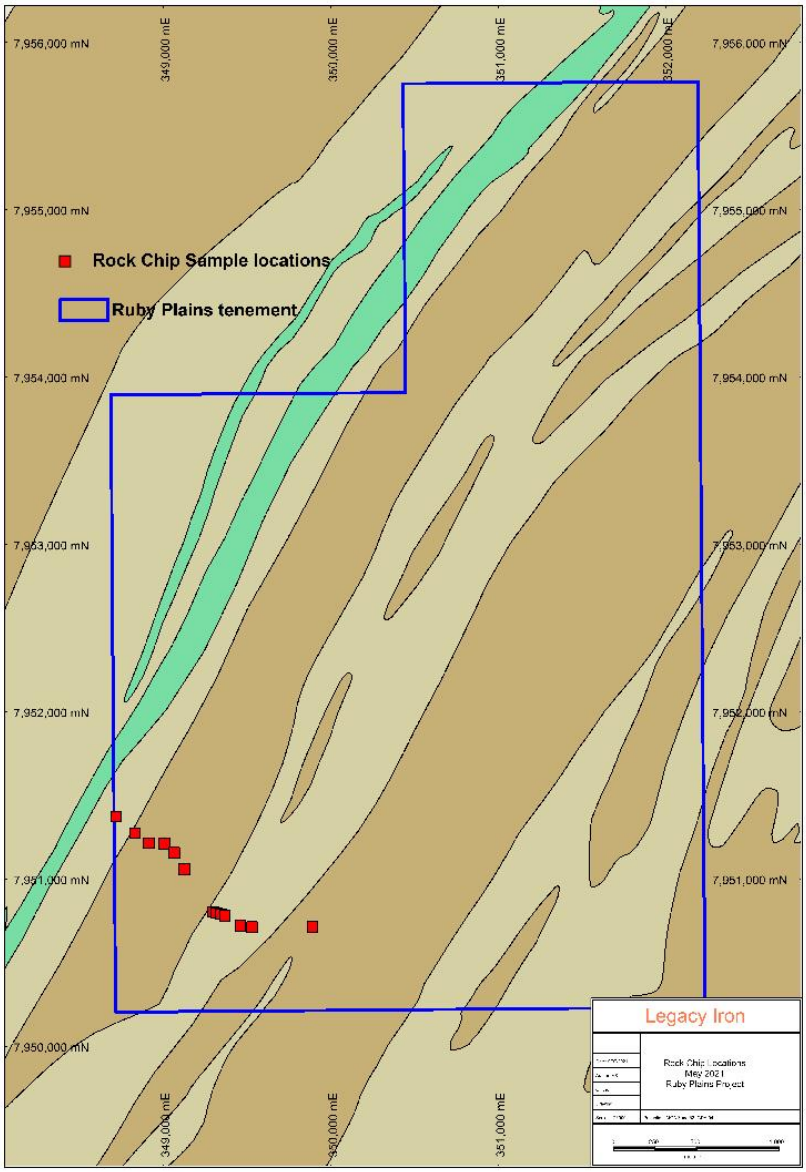

Figure 25: Map Showing Rock chip sample locations at Ruby Plains

The assay results returned no significant anomalous values.

The area is still considered prospective for Tungsten mineralisation based on the local geology of the area. Further works will be undertaken to narrow down the targets.

DIRECTORS' REPORT (continued)

PLANNED ACTIVITIES – Next half yearly period.

Main exploration activities planned in the next six months are likely to comprise of:

Mt Celia project

- Interpretation of assay results of June 2021 RC drilling and follow-up planning.
- Waste rock characterisation study to be completed in this quarter.
- Revision of resources and updating pit optimisation study.
- Finalisation of toll treating arrangements.
- Advancing contracting and infrastructure arrangements.
- The Company continues to work through the required regulatory approvals including heritage studies and enter into agreement.

Yilgangi

- Interpretation of assay results of June 2021 RC drilling and follow-up planning.
- Geological modelling and resource estimation of the Yilgangi tenement package.

Koongie Park

- Drill hole planning and heritage survey, if required.

Sunrise Bore

- RC drilling to extend and define recent mineralised intercepts.

Mt Bevan Project

- Interpretation of assay results of June 2021 RC drilling and follow--up planning.
- Potentially lodging ML application for the southern part of the tenement where iron ore resources exist.

Project Generation

- Continue to review new potential opportunities.

Competent Person's Statement:

The information in this report that relates to Exploration Results is based on information compiled by Vivek Sharma who is a member of AusIMM and employee of Legacy Iron Ore Limited. Mr.Sharma 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. Sharma consents to the inclusion in this report of the matters based on his information in the form and the context in which it appears.

DIRECTORS' REPORT (continued)

Appendix 1

Tenements held at the end of the half-yearly period ended September 2021

Location	Tenement	Project	Date of Grant	Equity (%) Held at the start of Period	Equity (%) Held at the end of Period
WA	E80/4221	Koongie Park	14/12/2009	100%	100%
WA	E31/1034	Patricia North	19/09/2013	100%	100%
WA	M31/0426	Yilgangi	12/01/2009	100%	100%
WA	M31/0427	Yilgangi	12/01/2009	90%	90%
WA	E31/1019	Yilgangi	10/04/2013	90%	90%
WA	E31/1020	Yilgangi	10/04/2013	90%	90%
WA	E39/1443	Mt. Celia	10/11/2009	100%	100%
WA	M39/1125	Mt Celia	7/06/2018	100%	100%
WA	M39/1126	Mt Celia	7/06/2018	100%	100%
WA	M39/1127	Mt Celia	7/06/2018	100%	100%
WA	M39/1123	Mt Celia	7/11/2018	100%	100%
WA	M39/1124	Mt Celia	7/11/2018	100%	100%
WA	M39/1128	Mt Celia	7/11/2018	100%	100%
WA	E39/1748	Sunrise Bore	1/07/2014	100%	100%
WA	E29/0510	Mt. Bevan	7/07/2005	60%	60%
WA	E80/5066	Taylor Lookout	18/07/2018	100%	100%
WA	E80/5067	Sophie Downs	18/07/2018	100%	100%
WA	E80/5068	Ruby Plains	18/07/2018	100%	100%

DIRECTORS' REPORT (continued)

After balance date events

On 5 October 2021, Mr. Alok Kumar Mehta retired as a Non-Executive Director of the Company.

On 11 November 2021, the company has executed an agreement with Hancock Magnetite Holdings Pty Ltd (HMPL), a wholly-owned subsidiary of Hancock Prospecting Pty Ltd (HPPL) granting HMPL the exclusive right to earn-in to the Mt Bevan iron ore project and form a new joint venture agreement. (Refer ASX announcement dated 15 November 2021)

The Earn-In remains subject to the parties reaching agreement on a new joint venture agreement between them within a defined time period and any standard regulatory approvals.

On 25 November 2021, Mr Somnath Nandi appointed as a Non-Executive Director of the Company.

Change in state of affairs

There were no significant changes in the state of affairs of the Company during the financial half year.

Auditor's independence declaration

In accordance with the auditor independence requirements of the Corporations Act 2001, the directors have received and are satisfied with the "Auditor's Independence Declaration" provided by the Company's External Auditors HLB Mann Judd. The Auditor's Independence Declaration has been attached immediately after the Directors' Report.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the Corporations Act 2001.

Rakesh Gupta
Chief Executive Officer
Perth
13 December 2021

HLB MANN JUDD
ADVISORY AND ACCOUNTING

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Legacy Iron Ore Limited for the half-year ended 30 September 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia
13 December 2021

M R Ohm
Partner

hlb.com.au

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Liability limited by a scheme approved under Professional Standards Legislation.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 30 SEPTEMBER 2021

	Note	Half Year ended 30 September 2021 $	Half Year ended 30 September 2020 $
Other revenue		19,864	87,923
Compliance and regulatory expenses		(49,140)	(35,634)
Depreciation and amortisation expenses		(42,296)	(24,243)
Key management personnel remuneration	3	(119,664)	(146,648)
Employee benefits expenses	3	(210,639)	(169,596)
Exploration expenditure expensed		(2,855)	(1,036)
Occupancy expenses	3	(36,614)	(36,555)
Legal expenses		-	(15,256)
Other expenses		(57,616)	(44,436)
Corporate services		(42,301)	(5,015)
Finance costs		(2,454)	(2,706)
Loss before income tax		(543,715)	(393,202)
Income tax benefit	4	-	-
LOSS FOR THE HALF YEAR		**(543,715)**	**(393,202)**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
Net gain on revaluation of financial assets	5	100,600	402,400
Total other comprehensive income		100,600	402,400
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE HALF YEAR ATTRIBUTABLE TO MEMBERS OF LEGACY IRON ORE LIMITED		**(443,115)**	**9,198**
Basic and diluted loss per share		(0.01) cents per share	(0.01) cents per share

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021

	Note	30 September 2021 $	31 March 2021 $
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents		391,677	9,707,982
Other Receivables and Prepayments	6	356,859	130,771
Other Financial Assets	5	7,729,350	628,750
TOTAL CURRENT ASSETS		8,477,886	10,467,503
NON-CURRENT ASSETS			
Other Financial Assets	5	66,775	66,635
Plant and Equipment		45,812	25,978
Right-of-use Assets		42,294	63,441
Exploration and Evaluation Expenditure	7	15,105,824	13,584,424
TOTAL NON-CURRENT ASSETS		15,260,705	12,870,161
TOTAL ASSETS		**23,738,591**	**24,207,981**
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables		87,031	138,762
Employee Benefits		109,756	88,044
Lease Liability		47,433	46,757
TOTAL CURRENT LIABILITIES		244,220	273,563
NON-CURRENT LIABILITIES			
Employee Benefits		51,938	26,011
Lease Liability		-	22,859
TOTAL NON-CURRENT LIABILITIES		51,938	48,870
TOTAL LIABILITIES		**296,158**	**322,433**
NET ASSETS		**23,442,433**	**23,885,548**
EQUITY			
Issued Capital	8	66,946,246	66,946,246
Reserves		17,243,977	17,143,377
Accumulated Losses		(60,747,790)	(60,204,075)
TOTAL EQUITY		**23,442,433**	**23,885,548**

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED

30 SEPTEMBER 2021

	Issued Capital	Share Based Payment Reserve	Option Premium Reserve	Financial Assets Reserve	Accumulated Losses	Total
	$	$	$	$	$	$
BALANCE AT 1 APRIL 2020	**64,036,737**	**16,242,084**	**90,539**	**1,068,875**	**(59,510,943)**	**21,927,292**
Loss for the half-year	-	-	-	-	(393,202)	(393,202)
Other comprehensive income for the period	-	-	-	402,400	-	402,400
Total comprehensive income/(loss) for the period	-	-	-	402,400	(393,202)	9,198
BALANCE AT 30 SEPTEMBER 2020	**64,036,737**	**16,242,084**	**90,539**	**1,471,275**	**(59,904,145)**	**21,936,490**
BALANCE AT 1 APRIL 2021	**66,946,246**	**16,242,084**	**125,530**	**775,763**	**(60,204,075)**	**23,885,548**
Loss for the half-year	-	-	-	-	(543,715)	(543,715)
Other comprehensive income for the period	-	-	-	100,600	-	100,600
Total comprehensive income/(loss) for the period	-	-	-	100,600	(543,715)	(443,115)
BALANCE AT 30 SEPTEMBER 2021	**66,946,246**	**16,242,084**	**125,530**	**876,363**	**(60,747,790)**	**23,442,433**

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED
30 SEPTEMBER 2021

	Half Year ended 30 September 2021 $	Half Year ended 30 September 2020 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(559,049)	(560,621)
Interest received	2,754	43,869
Finance costs paid	(2,454)	(1,049)
Government cash flow boost	-	87,500
Net cash flows (used in) operating activities	(558,749)	(430,301)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for exploration and evaluation	(1,694,390)	(1,007,648)
Purchase of fixed asset	(40,983)	(14,637)
Reclassification of term deposits from Cash and Cash Equivalents to Financial Assets	(7,000,000)	-
Net cash flows (used in) investing activities	(8,735,373)	(1,022,285)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment for lease liability	(22,183)	(43,095)
Payment for capital raising costs	-	(39,200)
Net cash flows (used in) financing activities	(22,183)	(82,295)
Net Decrease in Cash and Cash Equivalents	(9,316,305)	(1,534,881)
Cash and Cash Equivalents at the Beginning of Half Year	9,707,982	9,214,347
CASH AND CASH EQUIVALENTS AT THE END OF HALF YEAR	**391,677**	**7,679,466**

The accompanying notes form part of these financial statements.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED
30 SEPTEMBER 2021

1. BASIS OF PREPARATION OF HALF YEAR REPORT

This condensed interim financial report for the half year reporting period ended 30 September 2021 is a general purpose financial report prepared in accordance with requirements of the *Corporations Act 2001,* Applicable Accounting Standards, including *AASB 134 Interim Financial Reporting*, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board (AASB).

This condensed interim financial report is intended to provide users with an update on the latest annual financial statements of Legacy Iron Ore Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half year within the Company. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended 31 March 2021 together with any public announcements made during the half year.

These interim financial statements were authorised for issue on 24 November 2021.

Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

(a) Going Concern

The 30 September 2021 financial report has been prepared on the going concern basis that contemplates the continuity of normal business activities and the realisation of assets and extinguishment of liabilities in the ordinary course of business.

(b) New Accounting Standards, amendments and Interpretations not yet effective

At the date of authorisation of these financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the AASB. None of these Standards or amendments to existing Standards have been adopted early by the Company. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Company's financial statements.

2. DIVIDENDS

No dividends have been paid or proposed during the six month period ended 30 September 2021 (30 September 2020: NIL).

3. LOSS BEFORE INCOME TAX

Loss before income tax has been arrived at after charging the following significant expenses:

	Half Year ended 30 September 2021 $	Half year ended 30 September 2020 $
Key management personnel remuneration (A)	119,664	146,648
Employee benefit expenses	210,639	169,596
Occupancy expenses	36,614	36,555

(A) Costs of $49,525 (30 September 2020: $49,300) directly related to exploration efforts are capitalised in exploration and evaluation expenditure.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED
30 SEPTEMBER 2021

4. INCOME TAX

Income tax expense is recognised based on management's estimate of the taxable income for the period. During the period, the Company made a taxable loss and no income tax expense or benefit has been received (2020: $Nil).

5. *OTHER FINANCIAL ASSETS*	**Half Year ended 30 September 2021**	**Year ended 31 March 2021**
Current	**$**	**$**
Term Deposits classified as Financial Assets	7,000,000	-
Financial Assets at Fair Value through OCI Shares in listed corporation at fair value (i) & (ii)	729,350	628,750
	7,729,350	**628,750**
Non-Current		
Security deposits held (iii)	66,775	66,635
	66,775	**66,635**

(i) During the period, the movement in the balance is as follows:

	Half Year ended 30 September 2021	**Year ended 31 March 2021**
	$	$
Opening balance	628,750	1,232,350
Capital returned	-	(310,488)
Fair value gain/(loss) on available-for-sale financial assets (a)	100,600	(293,112)
Closing balance	**729,350**	**628,750**

(ii) Fair value is determined by reference to quoted prices in an active market (ASX) – Level 1.

(iii) Deposits have been pledged as security for a bank guarantee provided to lessors relating to leases of office premises and credit card facility.

6. OTHER RECEIVABLES	**Half Year ended 30 September 2021**	**Year ended 31 March 2021**
Current	**$**	**$**
Sundry receivables (a)	226,309	73,637
Prepayments	130,550	57,134
Total current receivables	**356,859**	**130,771**

(a) Amounts receivable from unrelated entities are expected to be recovered within normal terms.

(b) Fair value, credit risk and risk exposure
Due to the short term nature of the current receivables, their carrying amount is assumed to approximate their fair value. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of receivables mentioned above.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED
30 SEPTEMBER 2021

7. EXPLORATION AND EVALUATION EXPENDITURE

Non-Current	**Half Year ended 30 September 2021 $**	**Year ended 31 March 2021 $**
Costs carried forward in respect of areas of interest in:		
- Exploration and evaluation phases – at cost	**15,105,824**	**13,584,424**
Movement in carrying amounts		
Carrying amount at the beginning of the period	13,584,424	11,458,307
Exploration tenements acquired	-	-
Exploration expenditure capitalised during the period	1,616,931	2,157,417
Less: Recovery of expenditure from Joint Venture participant	(95,531)	(31,300)
Carrying amount at the end of the period	**15,105,824**	**13,584,424**

The recoverability of the carrying amount of exploration and evaluation is dependent on:

- the continuance of the Company's rights to tenure of the areas of interest;
- the results of future exploration; and
- the recoupment of costs through successful development and commercial exploitation of the areas of interest, or alternatively, by their sale.

The Company's exploration properties may be subjected to claim(s) under native title, or contain sacred sites, or sites of significance to Aboriginal people. As a result, exploration properties or areas within the tenements may be subject to exploration restrictions, mining restrictions and/or claims for compensation. At this time, it is not possible to quantify whether such claims exist, or the quantum of such claims.

8. ISSUED CAPITAL

Fully paid ordinary shares	**Half Year ended 30 September 2021**		**Year ended 31 March 2021**	
	No	**$**	**No**	**$**
At beginning of reporting period	6,404,738,517	66,946,246	6,247,238,517	64,036,737
Shares issued during the half year	-	-	157,500,000	2,909,509
At reporting date	**6,404,738,517**	**66,946,246**	**6,404,738,517**	**66,946,246**

NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED
30 SEPTEMBER 2021

9. SEGMENT INFORMATION

Identification of Reportable Segments
The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (Chief Operating Decision Makers) in assessing performance and determining the allocation of resources.

The Company is managed on the basis of there being 2 (two) reportable segments being:
(i) Gold exploration and development in Australia;
(ii) Iron ore (and manganese) exploration and development in Australia;

	Iron Ore *$*	*Gold* *$*	*Corporate* *$*	*Total* *$*
Half Year ended 30 September 2021				
SEGMENT REVENUE	8,685	-	11,179	**19,864**
SEGMENT NET LOSS BEFORE TAX				
Depreciation	-	-	(42,295)	(42,295)
Corporate charges	-	-	(521,284)	(521,284)
SEGMENT PROFIT/ (LOSS)	8,685	-	(552,400)	**(543,715)**
SEGMENT ASSETS				
Segment assets	6,523,520	9,506,595	7,708,476	**23,738,591**
Capital expenditure	110,097	1,411,303	40,983	1,562,383
SEGMENT LIABILITIES	-	-	296,158	**296,158**
Half Year ended 30 September 2020				
SEGMENT REVENUE	1,835	-	86,088	**87,923**
SEGMENT NET LOSS BEFORE TAX				
Depreciation	-	-	(24,243)	(24,243)
Corporate charges	-	-	(456,882)	(456,882)
SEGMENT PROFIT/ (LOSS)	1,835	-	(395,037)	**(393,202)**
SEGMENT ASSETS				
Segment assets	7,126,320	6,940,958	8,259,668	**22,326,946**
Capital expenditure	12,199	1,128,987	14,637	1,155,823
SEGMENT LIABILITIES	-	-	390,456	**390,456**

NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED
30 SEPTEMBER 2021

10. CONTINGENT LIABILITIES

As per the terms of lease executed for the office space rental, Legacy is entitled to a rent concession of $25,857 per year for the term of lease (being 3 years). This concession will cease to apply and will be refunded to the lessor if the Company breaches an essential term of the lease agreement at any time during the tenure of the lease. The Company accounted for a rent concession of $51,714 up to 30 September 2021.

11. EVENTS SUBSEQUENT TO REPORTING DATE

On 5 October 2021, Mr. Alok Kumar Mehta retired as a Non-Executive Director of the Company.

On 11 November 2021, the company has executed an agreement with Hancock Magnetite Holdings Pty Ltd (HMPL), a wholly-owned subsidiary of Hancock Prospecting Pty Ltd (HPPL) granting HMPL the exclusive right to earn-in to the Mt Bevan iron ore project and form a new joint venture agreement. (Refer ASX announcement dated 15 November 2021)

On 25 November 2021, Mr Somnath Nandi appointed as a Non-Executive Director of the Company.

New Joint Venture Terms

The principal terms of the HMPL earn-in are:

Initial Investment

- HMPL will make an initial investment of $9m to earn a 30% interest in the Project (**Initial Investment**) with $8m cash being returned to Legacy and Hawthorn in proportion to their interest in the project (Legacy $4.8m and Hawthorn $3.2m) and the remaining $1m as working capital for the new Joint Venture.
- Atlas will be appointed as Manager of the new Joint Venture.
- Upon completion of the Initial Investment, HMPL will hold a 30% interest, Legacy will hold a 42% interest and Hawthorn will hold a 28% interest in the Project.

Stage 1 Earn-in

- HMPL can earn an additional 21% interest in the Project by funding the completion of a PFS.
- Upon completion of the Stage 1 earn-in, HMPL will hold a 51% interest, Legacy will hold a 29.4% interest and Hawthorn will hold a 19.6% interest in the Project.

Joint Venture

- Upon completion of the Stage 1 earn-in, and subject to favourable outcomes from the work completed, additional work programs will be undertaken with the intention of further advancing the Project to a Bankable Feasibility Study.

The Earn-In remains subject to the parties reaching agreement on a new joint venture agreement between them within a defined time period and any standard regulatory approvals.

No matter or circumstance other than those disclosed in this report has arisen since the end of the half year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company.

12. FAIR VALUE MEASUREMENT

The Company holds $729,350 of financial assets at fair value through other comprehensive income representing shares in a listed corporation. These are measured with reference to quoted prices in an active market (ASX) – Level 1.

The carrying amount of the trade and other receivables and trade and other payables are assumed to approximate their fair value due to their short-term nature.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Legacy Iron Ore Limited, the Directors of the Company declare that:

(a) the Financial Statements and notes, are in accordance with the *Corporations Act 2001,* including:

(i) complying with Accounting Standards, AASB 134 Interim Financial Reporting, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

(ii) giving a true and fair view of the Company's financial position as at 30 September 2020 and of its performance for the half year ended on that date.

(b) In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Mr. Rakesh Gupta
Chief Executive Officer
Perth
13 December 2021

HLB MANN JUDD
ADVISORY AND ACCOUNTING

INDEPENDENT AUDITOR'S REVIEW REPORT
To the members of Legacy Iron Ore Limited

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Legacy Iron Ore Limited ("the company"), which comprises the statement of financial position as at 30 September 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Legacy Iron Ore Limited does not comply with the *Corporations Act 2001* including:

(a) giving a true and fair view of the company's financial position as at 30 September 2021 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards*) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including

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giving a true and fair view of the company's financial position as at 30 September 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

M R Ohm
Partner

Perth, Western Australia
13 December 2021