(ABN 31 125 010 353)

Interim Financial Report for the Six-Month Period Ended 30 September 2018

CONTENTS

DIRECTORS' REPORT

Your Directors present their report on Legacy Iron Ore Limited for the half-year ended 30 September 2018 ("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 Nair Narayanan Baijendra Kumar (Non-Executive Chairman appointed 8 July 2018)

Dr Narendra Kumar Nanda (Non-Executive Director from 8 July 2018, Non-Executive Chairman till 8 July 2018)

Mr Rakesh Gupta (Chief Executive Officer and Executive Director)

Dr Tanugula Rama Kishan Rao (Non-Executive Director)

Mr Devanathan Ramachandran (Non-Executive Director)

Mr Devinder Singh Ahluwalia (Non-Executive Director retired on 1 May 2018)

2. COMPANY SECRETARY

Mr Ben Donovan holds the position of Company Secretary.

3. REVIEW OF OPERATIONS

CORPORATE

The Company has continued to control costs throughout the last half year and is in a sound financial position with no debt, and, as at 30 September 2018 the Company holds $2.364 million in cash and cash equivalents.

The Company is actively reviewing opportunities for the development of assets into a production status.

DIRECTORS' REPORT (continued)

EXPLORATION

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 strong focus on the development of its gold assets in the Eastern Goldfields, where a number of tenements have highly encouraging gold prospects/resources.

In addition, the Koongie Park project in the East Kimberley region has excellent potential to host VHMS base metal – gold and 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 is progressing a potentially world class magnetite project and exploring for nickel-copper mineralisation at an early stage.

In the last six months company has acquired three new tenements in East Kimberley region which are prospective for tungsten mineralisation.

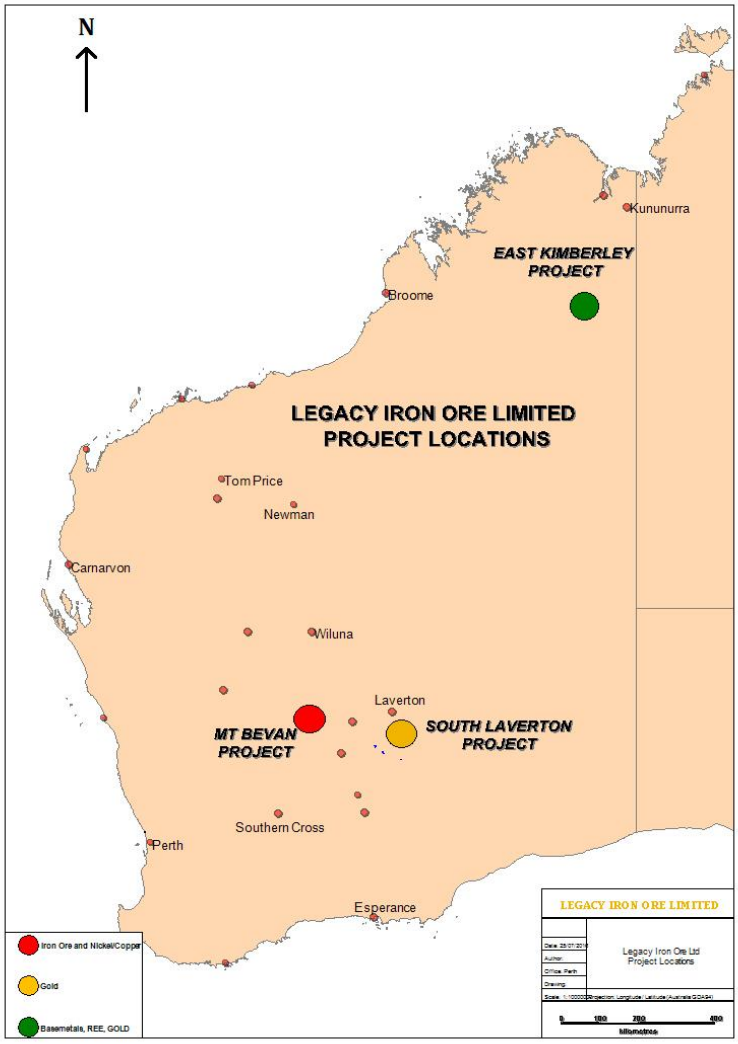

Figure 1: Legacy Iron – Project Locations

DIRECTORS' REPORT (continued)

GOLD

South Laverton Gold Project

South Laverton project includes Mt Celia, Yerilla, Yilgangi and Patricia North tenements of Legacy Iron Ore Limited (Figure 9). The Mt Celia, Yerilla and Yilgangi tenement packages contain a number of gold occurrences with some known gold resource estimates from years prior to the change in JORC code reporting in 2012. The Company has upgraded the resource for Mt Celia (Kangaroo Bore and Blue Peter orebodies) in March 2018 (see below), with the remaining to occur.

The company is progressing the Mt Celia project with a view to develop a mine. The initial scoping/pit optimisation study completed in this quarter (ASX announcement 15 Oct 2018) showed a positive result towards that objective.

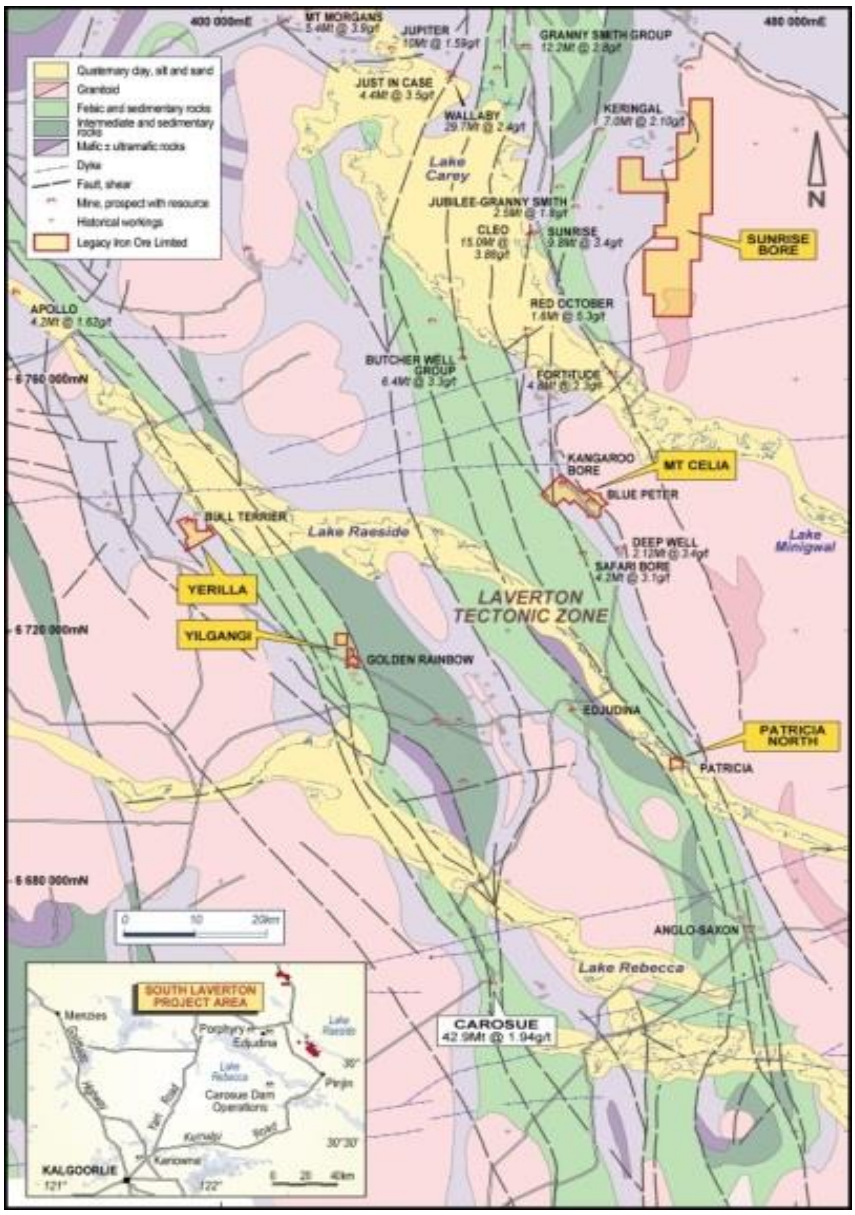

Figure9: Legacy Iron's South Laverton Gold Projects on regional geology

DIRECTORS' REPORT (continued)

During the period Legacy Iron's exploration activities were focussed on the Mt Celia, Yilgangi and Sunrise projects mainly, and to a lesser extent on the Yerrila and Patricia North projects

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 9. The Project currently contains several known gold occurrences including Kangaroo Bore and Blue Peter prospects (Figure10).

Total resource at Mt Celia stands as below as of March 2018 (Table 2) –

Deposit	Classification	Cut-off (g/t)	Tonnage (t)	Grade (g/t)	Metal (OZ)
Kangaroo Bore	Inferred	0.7	2,800,000	1.48	133,000
Blue peter	Inferred	1	607200	2.62	51,100
Total (Mt Celia)	Inferred		3,407,200	1.68	184,100

Table 2: Mt Celia Project -Mineral Resource estimate as at March 2018

(Note: Please refer to ASX announcement 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).

The Kangaroo Bore deposit is hosted by the Laverton Tectonic Complex, a strongly faulted and folded greenstone sequence that forms part of the larger Edjudina-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 favorable for a bulk tonnage gold potential for the system.

Additionally, the Mt Celia project contains numerous early stage exploration targets and prospects which requires further work to evaluate their strike and down dip continuity (Figure 10 & 11).

DIRECTORS' REPORT (continued)

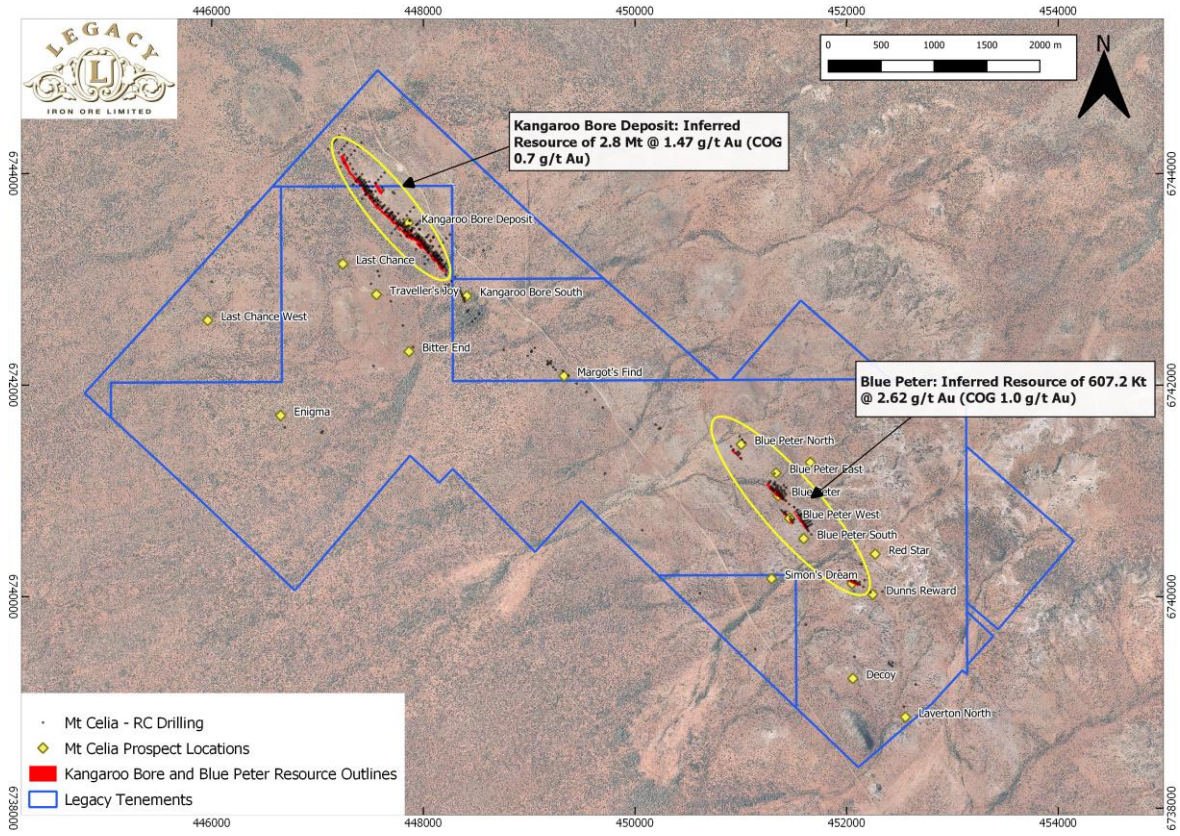

Figure 10: Mt Celia Project- Aerial image showing various prospect locations

Work completed in the last six months -

In the past few years', the major focus of exploration at Mt Celia has been on the Kangaroo Bore and Blue Peter resource definition work with a very little drilling conducted on any of the other anomalies and prospects identified/present in the project. The major focus of activities during the last two quarters has been on drill testing the other priority anomalies/prospects located with the Mt Celia project and completing the pit optimisation study for the Kangaroo Bore and Blue Peter deposits at Mt Celia (Figure 10 & 11).

In April 2018 approximately 1,500 m of RC drilling was completed in 20 holes (refer ASX announcement of 16/06/2018). The program was aimed to test the strike continuity of the Margot's Find prospect in NW direction, test the potential for a depth continuity at Enigma, Bitter End and Travellers Joy prospects and test some of the priority early-stage geochemical anomalies in western and south-western parts of the tenement.

The locations of the drill holes are as shown in Figure 11. Approximately 70% of the drill holes during this program were planned to test the surface geochemical anomalies identified from historical Auger sampling and the remaining drill holes (six) were used to test the depth extension of the old prospects.

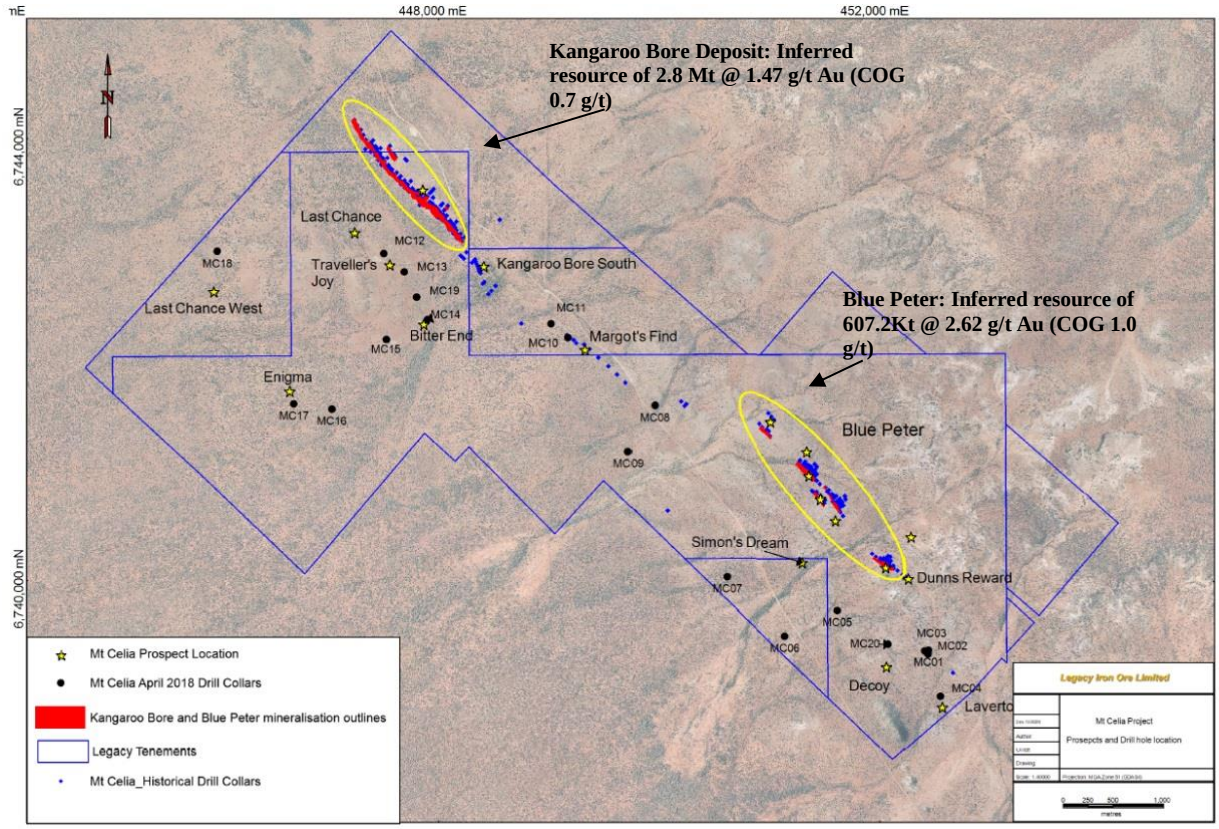

Figure 11: Mt Celia Project- Aerial image showing various prospect locations including Kangaroo Bore and Blue Peter

Drill holes which were planned to test the northern extension of the Margot's Find prospect, confirmed the potential for an additional 200 m of strike length in a NW direction (drill holes MC 10 and 11). Drill holes at Bitter End and Travellers Joy prospects have shown positive intersections potentially confirming the continuity of mineralisation at depth (drill holes MC12 & MC15).

A weak gold anomalism (up to 2.4g/t for 2 m interval) associated with quartz veins or prospective lithological contacts has been noted in most of the drill holes which were targeting the soil/RAB anomalies. Further exploration drilling is required to effectively evaluate the continuity of these anomalies (refer ASX announcement on 16/06/2018).

Details of the significant intersections (Au>0.5g/t) from this round of drilling is shown in the table on the next page.

DIRECTORS' REPORT (continued)

Hole ID	Easting (mE)	Northing (mN)	RL (m)	Azimuth	Dip	End of Hole (m)	Depth in Metre		Au in g/t	Comments
							From	To		
MC05	451614.415	6739735.752	415.93	220	-60	60	24	26	2.41	2m at 2.41 g/t;
MC10	449175.933	6742198.724	404.168	220	-60	84	4	6	6.97	2m at 6.97 g/t
MC10	449175.933	6742198.724	404.168	220	-60	84	8	10	23.2	4m at 11.85 g/t; includes 2m at 23.2 g/t
							10	12	0.5	
MC10	449175.933	6742198.724	404.168	220	-60	84	14	16	1.03	4m at 0.79 g/t; includes 2m at 1.03 g/t
							16	18	0.55	
MC10	449175.933	6742198.724	404.168	220	-60	84	22	24	10	2m at 10 g/t
MC11	449025.153	6742323.246	402.279	220	-60	108	28	30	2.28	2m at 2.28 g/t
MC12	447505.672	6742959.083	411.954	225	-60	126	54	56	1.85	4m ay 4.08 g/t
							56	58	6.31	
MC15	447529.204	6742181.172	400.979	120	-60	90	24	26	0.54	

T**able 3: Table showing all the intersections of gold mineralisation with gold assay more than 0.5g/t**
(refer ASX announcement on 16/06/2018)

Pit Optimisation Study (ASX announcement of 15 Oct 2018)

As mentioned in the previous section an initial pit optimisation study has been completed during this reporting period to investigate the mining potential at the Mt Celia Project and the potential for cashflow.

Pit Optimisation Parameters

The study was undertaken by AMC Consultants Pty Ltd (AMC) using Whittle Four-X software and was completed using the Table 2 inferred resource and a base case gold price of A$1,650/oz.

AMC prepared models by adding cost, recovery, royalty and revenue drivers to individual blocks within the models using Datamine macros. This process provides an audit trail and reduces errors in assigning optimisation parameters. 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.

Parameters from the inferred resource exploration drilling work were used in the study. A total of, 207 drill holes including 24 diamond holes (totalling 15,099 m of drilling) were considered for use in the Kangaroo Bore estimates. Majority of the data used for resource estimation was derived from historical drilling. For Blue Peter, A total of 122 RC holes (totalling 9,356 m of drilling) were considered for use in the estimates. The majority of the data used for Blue Pater resource estimation was derived from drilling programmes conducted by Legacy Iron since the start of 2010. Where parameters weren't known, AMC applied mining cost parameters based on similar sized operations in the region from AMC's database.

All parameters used were in the range of normally acceptable cost limits of similar mining operations (refer ASX announcement dated 15 Oct 2018)**.**

Study Results

The results from this high-level pit optimisation study are highly encouraging, for both the Kangaroo Bore and Blue Peter deposits and provide the Company with significant confidence moving forwards.

Nested pit shells were generated at varying metal prices and evaluated at the base case metal price. The optimal outcome was shown as being Pit shell 31 in all cases. This shell was selected as the basis for pit design for both the Blue Peter and the Kangaroo Bore deposits.

Pit shell 31 returned the optimal outcome when scheduled, but there is potential for a smaller pit shell to provide a stronger positive outcome.

An isometric view of the optimal pit shell and the inferred mineral resource model is shown in Figure 12 and 13 below.

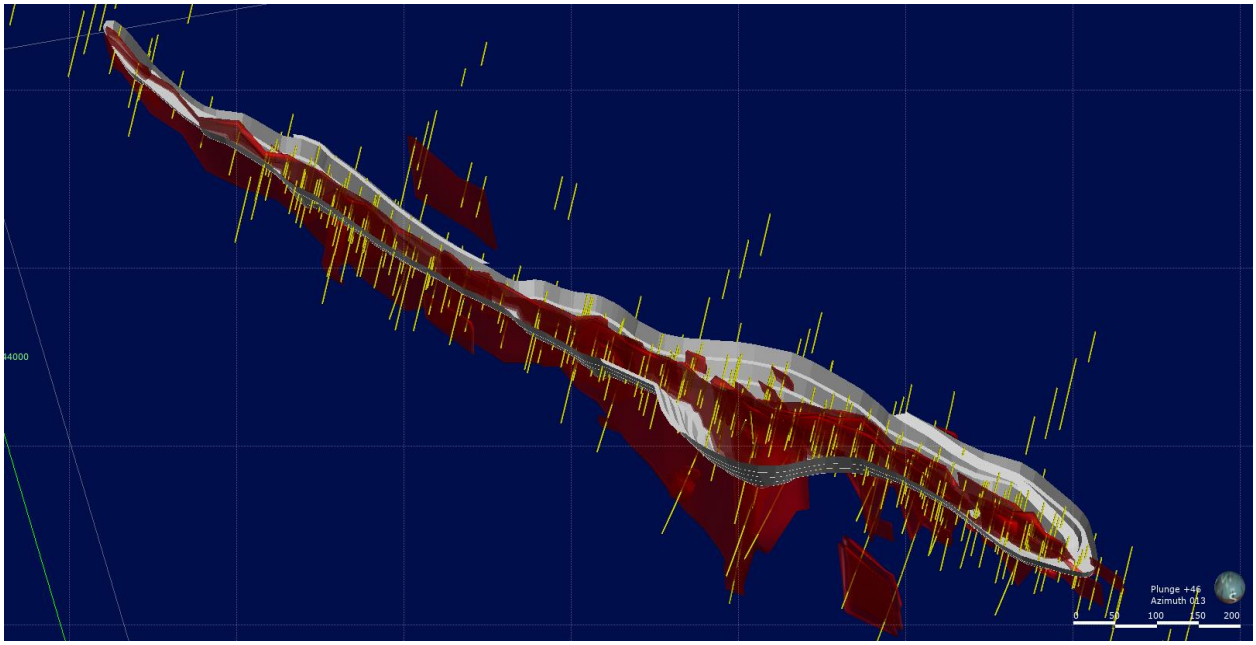

Figure 12: Mt Celia Gold Project – Isometric View of the Kangaroo Bore starter pit.

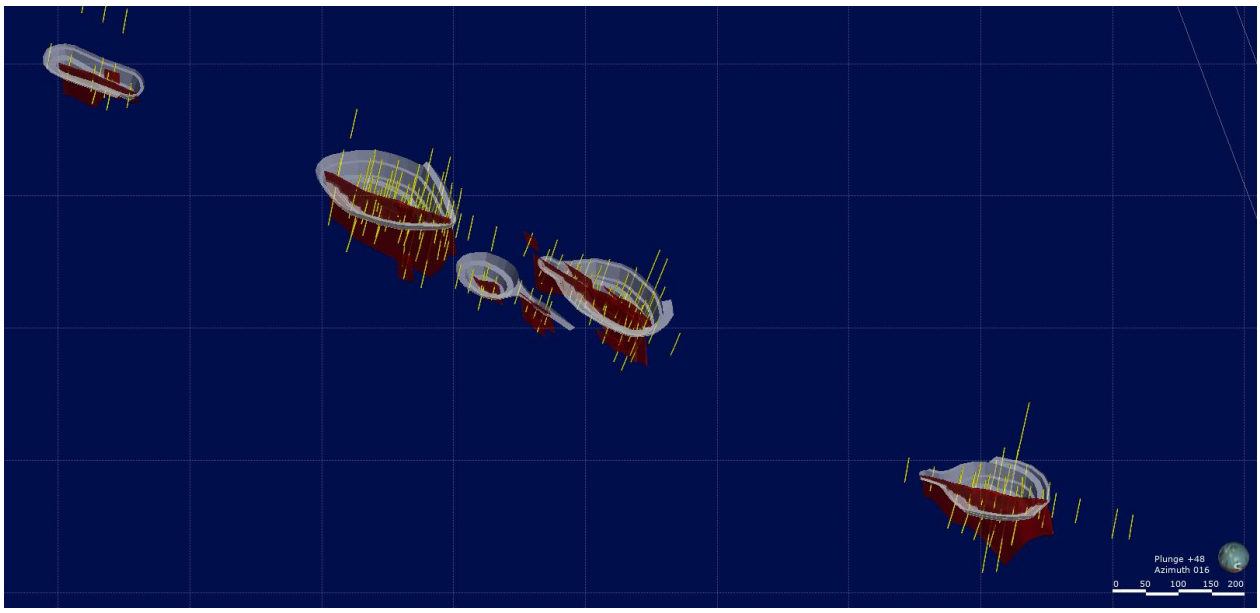

Figure 13: Mt Celia Gold Project – Isometric View of the Blue Peter starter pit.

Next Steps

The Company has already taken steps to convert the tenements associated with the Mt Celia project into mining leases plans, with 3 out of 7 licences currently converted mining leases until 30 Sept 2018. This is an important next step as the Company moves to commencing mining.

As a result of the encouraging results from the study, the planning for next phase of exploration work is already underway. This will include additional RC and diamond drilling to understand geo-metallurgical and geo-technical aspects of the orebody, together with additional drilling to test the ore bode along strike and also at depth.

The ultimate aim of the Company is to not only increase the overall inferred resource size for the Mt Celia project but also increase the confidence to a higher JORC Code category.

The Company will also undertake some infill drilling at the Kangaroo Bore and the Blue Peter deposits to test whether there is some joining of the deposits leading to better overall economics.

Proposed RC Infill Drilling at Kangaroo Bore:

Encouraged by the pit optimisation results, approximately 2,200 m of RC drilling has been planned and drilling commenced from 18th Oct 2018 (part of Oct-Dec 2018 quarter programme).

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 infill of existing drilling.

- To test for depth extensions to mineralisation beyond modelled limits (Figure14 &15).

Resource studies completed to date have 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.

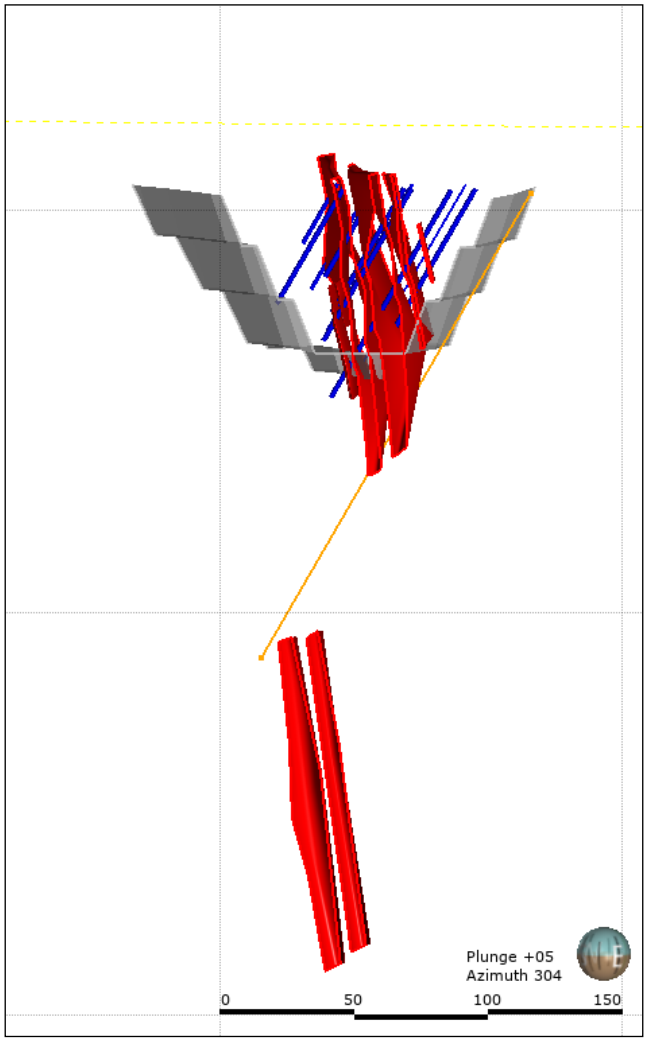

Figure 14: Example of a drill hole planned (orange) to extend mineralisation at depth (red polygons), designed to intersect mineralisation below the optimised pit (grey) and to extend deep mineralisation up-dip

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 15).

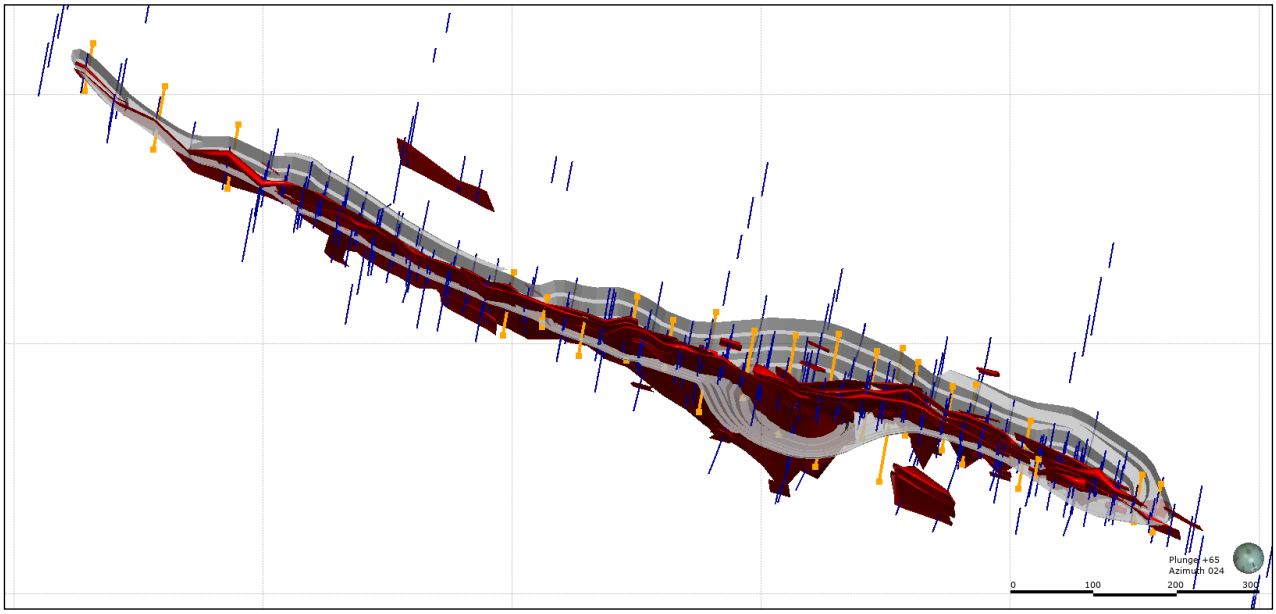

Figure 15: Oblique view of the Kangaroo Bore resource (red) with planned drill holes (orange) and existing drilling (blue) and the optimised pit design

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.

Future Plan:

- Analyse drilling that has since been carried out at Kangaroo Bore (part of the Oct-Dec quarter's program).
- Update the geology & resource model to assist with upgrading the resource classification for both the ore bodies in the Mt Celia project. Kangaroo Bore orebody is likely to be the first project to upgrade given that a significant amount of RC and DD drilling has already been done and been considered in the current estimates.
- Plan the follow-up on other targets present in the Mt Celia Project tenement.

Yilgangi Project

As discussed in the other parts of this report, the Yilgangi project forms part of Legacy Iron's South Laverton Gold Project which includes Mt Celia, Yilgangi, Yerilla, Patricia North and Sunrise Bore tenements (Figure 16).

The Mt Celia, Yerilla and Yilgangi contain a number of gold occurrences with several gold resource estimates completed prior to the change in JORC code reporting in 2012. Legacy Iron plans to upgrade the resource estimates for all the significant occurrences/prospects to comply with the current JORC code reporting. Resource upgrades for Mt Celia (Blue Peter and Kangaroo Bore deposits) have been completed (refer to ASX announcements dated 17 Nov 2017 and 22 Mar 2018).

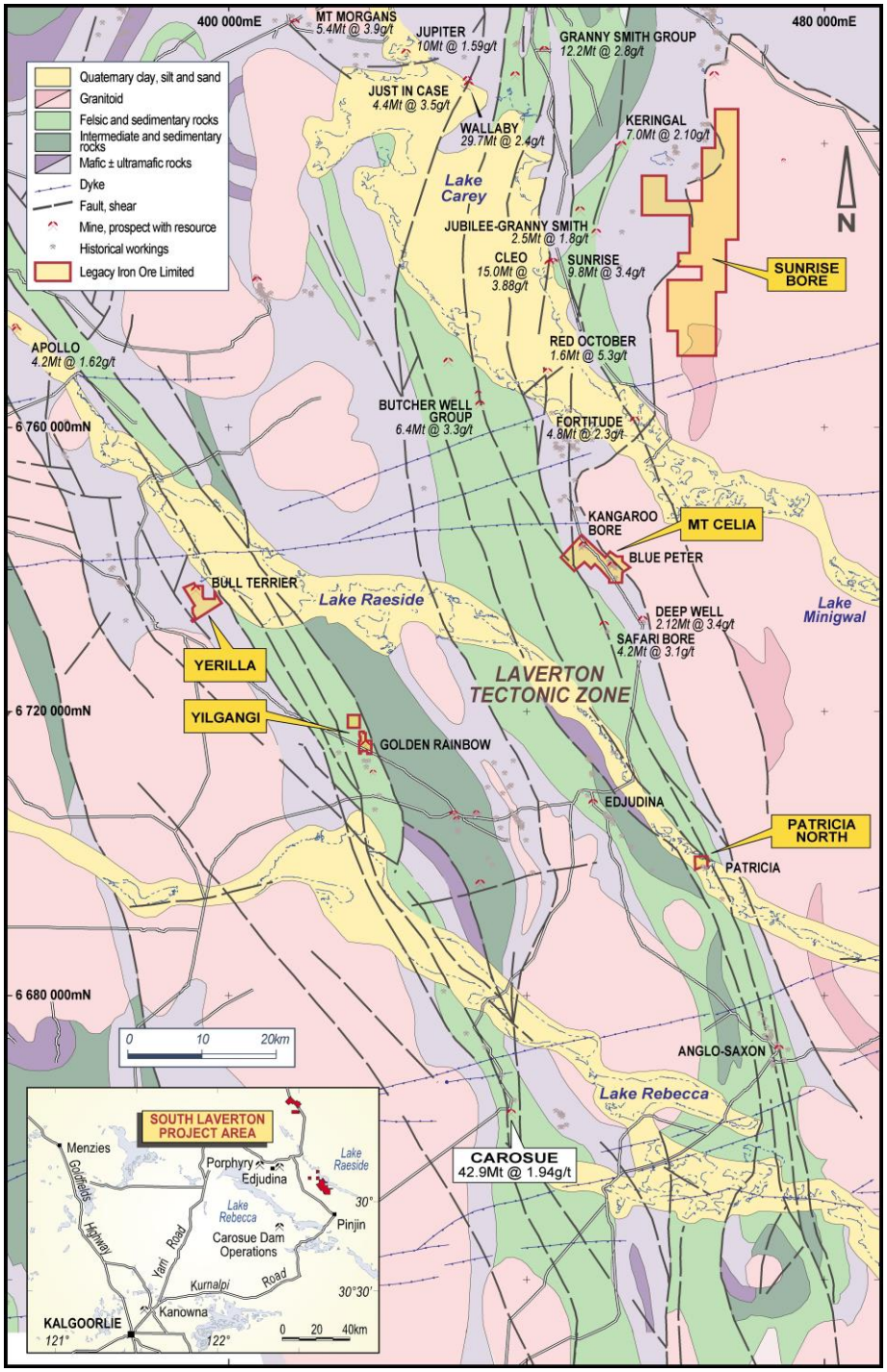

Figure 16: South Laverton Gold Project – Yilgangi location

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 a number of drill holes have been done and the gold mineralisation has been tested up to a shallow depth only.

Geologically the Project lies within a sedimentary basin containing coarse clastic rocks which lies immediately east of the Yilgangi Fault and unconformably overlies greenstones of the Mulgabbie Terrane. The sedimentary rocks have been interpreted as a thick sequence of interlayered felsic flows and polymictic conglomerate. The metamorphosed polymictic

conglomerate, wacke, and quartzo-feldspathic sandstone and siltstone within the sedimentary basin have been tightly folded. Much of the project area is covered by recent alluvial and transported material with salt pans and lakes of the Lake Raeside system present to the north (Figure 17).

Previous exploration has consisted of surface soil sampling, RAB drilling and wide-spaced RC drilling with a main focus around the old workings of Golden Rainbow prospect.

In this reporting period, the drill hole planning was also completed for all the Yilgangi tenements to test for down-dip continuity of the known gold mineralisation and these holes will also be used as part of a quality assurance assessment of historical drilling. This program aligns with the Company's strategy to upgrade historical resources to comply with JORC code reporting post 2012.

Approximately 300-400m of RC drilling in 3-5 drill holes across Golden Rainbow deposit has been planned (Figure 17 & 18) with all work approvals already in place from the Department of Mines, Industry Regulation and Safety.

As per the plan, drilling has already been completed towards end of Oct/early Nov 2018 once the RC drilling at Mt Celia project was done (part of Oct-Dec 2018 quarter programme).

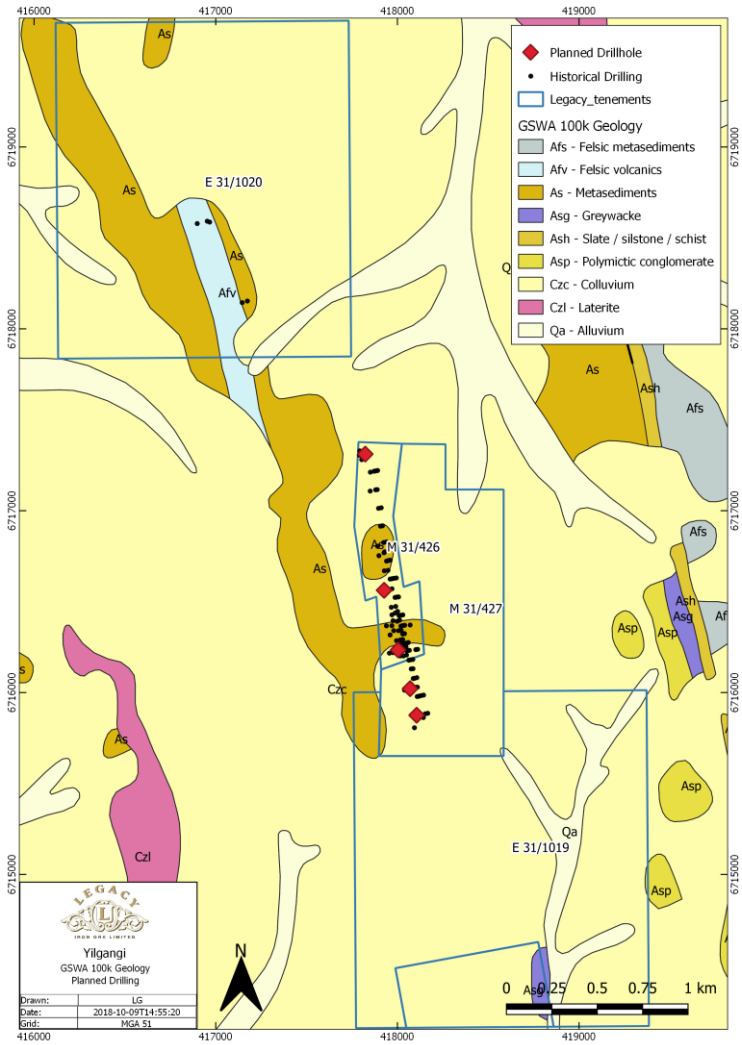

Figure 17: Planned drill holes at Yilgangi Project with GSWA 1:100,000 surface geology

Additionally, results of the soil samples (soil) were received during the last six months - approximately 250 soil samples were collected on the Exploration Licences (ELs) which are located in North and south the Golden Rainbow prospect in the past. Initial review of the results successfully highlights several anomalous trends of gold values which need to be followed up (Figure 18). Sampling done to date covers only a part of the tenement, so these results certainly gives encouragement to further continue with the sampling towards south on both the ELs. A thorough interpretation of the results is to be done once all the planned sampling is complete (ASX announcement of 31 July 2018).

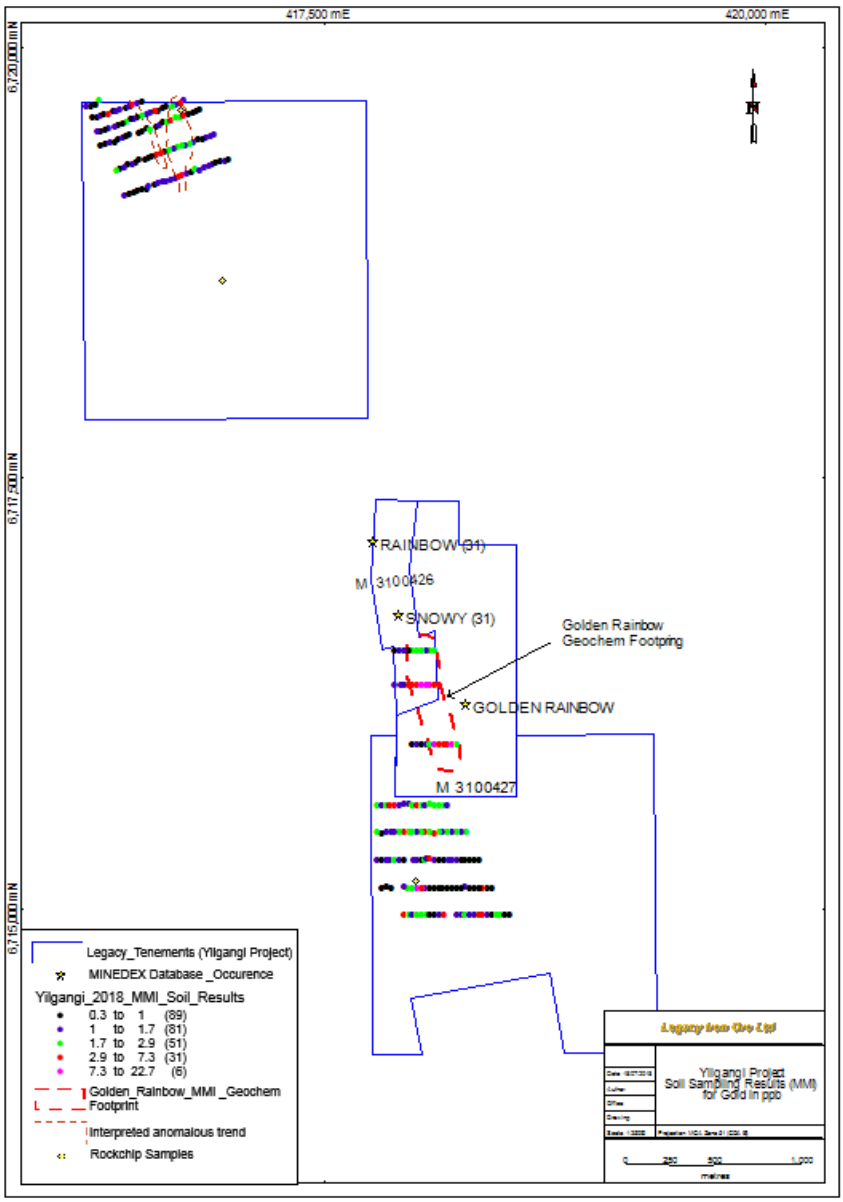

Figure 18: Yilgangi Project MMI sampling results

Future Plan–

- Complete the proposed drilling at Golden Rainbow prospect (300-500m of RC drilling) – already done
- Continue with the MMI sampling in the remaining area in exploration tenements (ELs) and target generation

- Follow up the southern extension of identified anomalies.

Sunrise Bore

The Sunrise Bore project lies some 12 km east of the world class Sunrise Dam gold mine operated by AngloGold Ashanti (Figure 16). Several prospective shear structures have been identified within the project area associated either with gold anomalism in the auger sampling programs completed by Legacy Iron and/or nugget gold found by recent prospecting.

During the quarter follow up work including infill soil sampling (MMI) on various targets commenced and likely to be continued in next quarter. The aim of this sampling is to more accurately delineate the mineralised trend and constrain high-confidence drill targets for future programs.

Outcome of this work will be discussed in the future reports once proposed follow-up is complete on all the targets identified from the Auger sampling during the last few quarters (refer ASX announcement 21/05/2018).

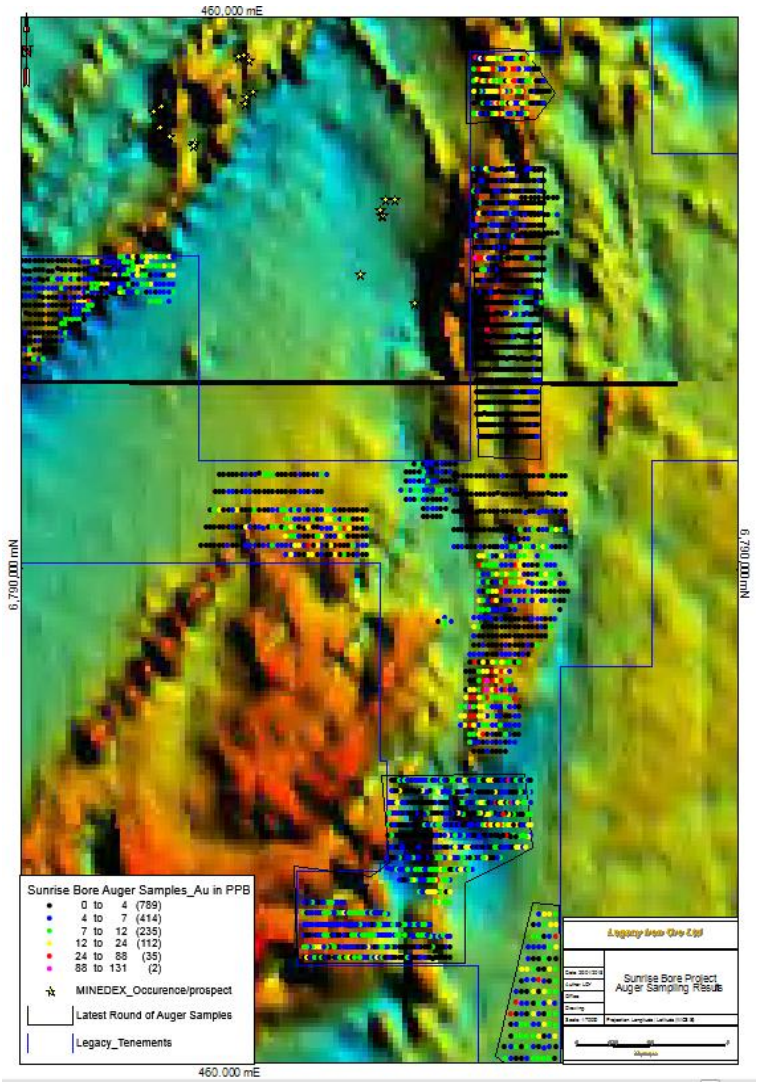

Figure 19: Sunrise Bore Auger Sampling Results

Follow up Program

- Continue and complete the proposed follow up work on the anomalies identified from auger sampling (Figure 19).
- Drill test the anomalies identified to date.
- Given the Sunrise Bore project is a large tenement, some additional work including regional geochemical sampling, mapping and geophysical survey will also be undertaken over other areas of the tenement.

GOLD, BASEMETALS and TUNGSTEN – EAST KIMBERLEY

The East Kimberley Project tenement is located in the Halls Creek area, 347km south of Kununurra and is readily accessible via the sealed Great Northern Highway. The project currently comprises exploration licence "Koongie Park - E80/4221, Sophie Downs - E80/5067, Ruby Plains – E80/5068 and Taylor Lookout – E80/5066" (Figure 20).

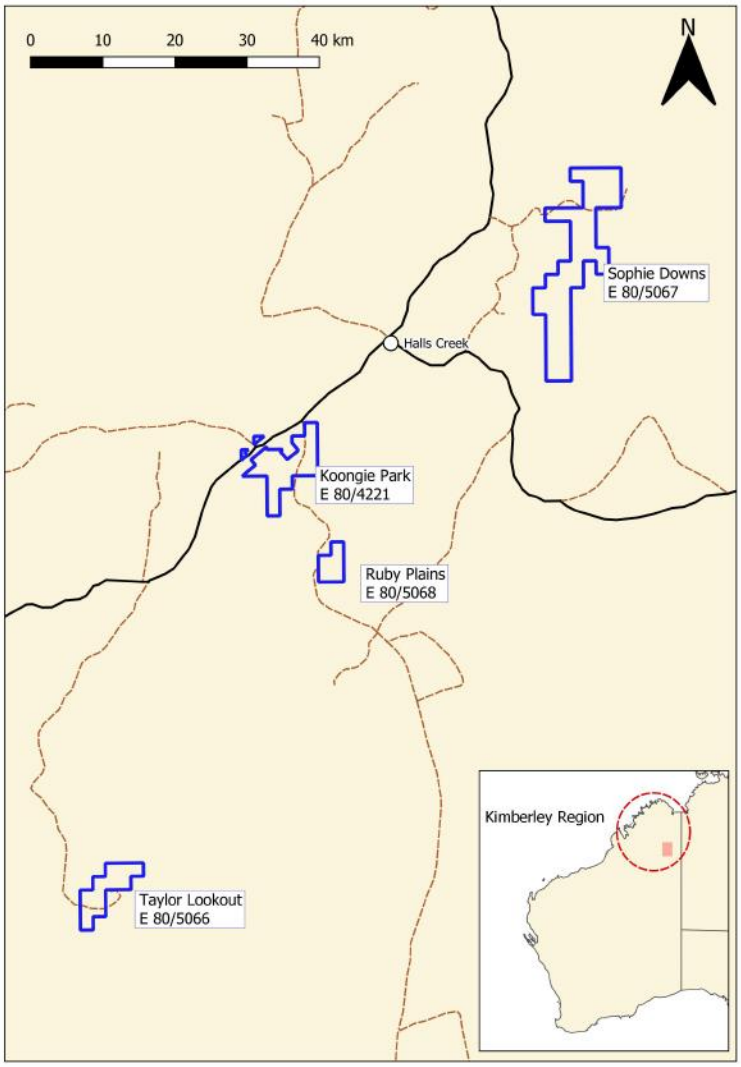

Figure 20: East Kimberley Project

DIRECTORS' REPORT (continued)

The tenements Sophie Downs, Taylor Lookout and Ruby plains have been granted in the July 2018. All the three tenements have some known tungsten occurrences and prospective geology to host polymetallic mineralisation (base and precious metal mineralisation).

Koongie Park Project

Legacy Iron holds exploration licence E80/4221 that is contiguous with ground under exploration by Anglo Australian Resources Limited (AAR) at its Koongie Park VHMS base metals deposit. AAR has defined substantial base metal/gold/silver mineralisation in two deposits to date, with a total JORC resource (Indicated and Inferred) of 8Mt at 3.3% zinc, 1.2% copper, 0.3g/t gold and 23g/t silver. AAR has also recently outlined a shallow supergene high grade copper resource.

The style of mineralisation (VHMS) is similar to that found at Sandfire Resources' Doolgunna and Monty discoveries and at the Teutonic Bore/Jaguar/Bentley deposits of Independence Group. This style of deposit is known worldwide to occur in clusters and often the early discoveries in these camps are not the largest.

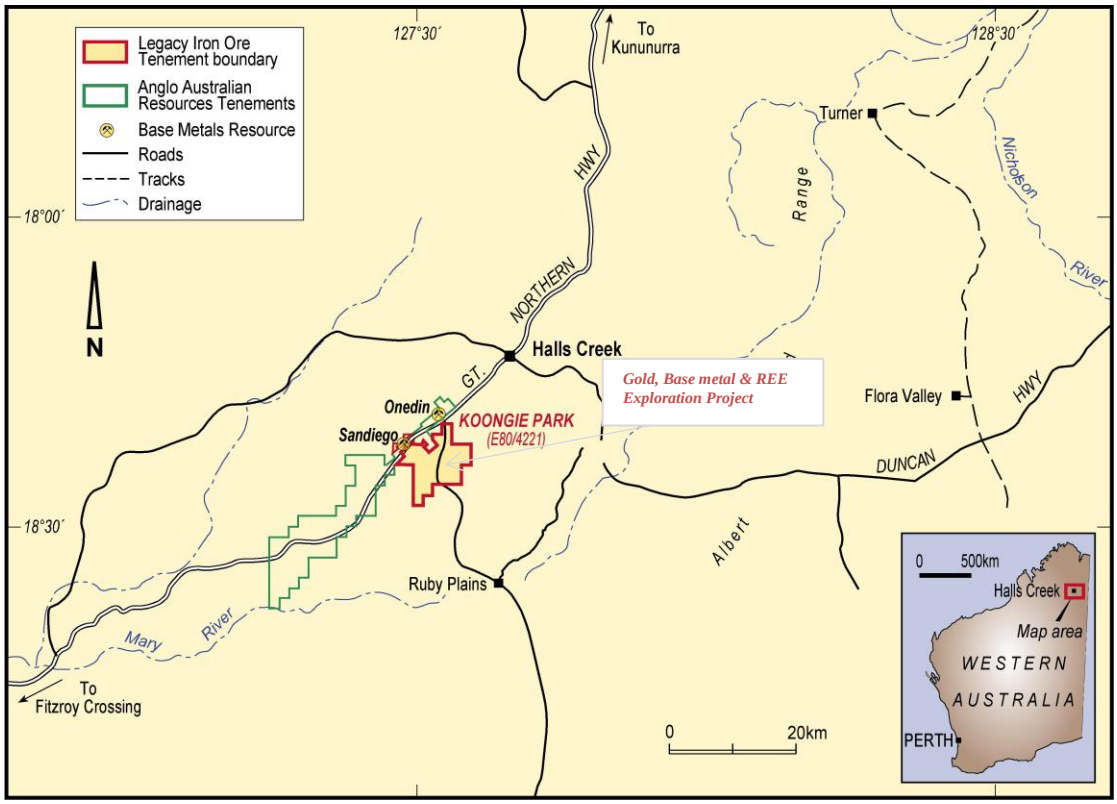

Figure 21: Koongie Park Project

Work completed in until the current reporting period had successfully identified a number of base metals and rare earth elements (REE) anomalies in the project area and at a few places oxidised/gossanous outcrops for base metals (with Zn values ranging from 50 ppm to 2000 ppm) and rocks enriched in rare earth minerals (Total of all REE =2337 ppm and 1515ppm in Rock chip sample) - Figure 22 and refer the company's last Annual Report.

DIRECTORS' REPORT (continued)

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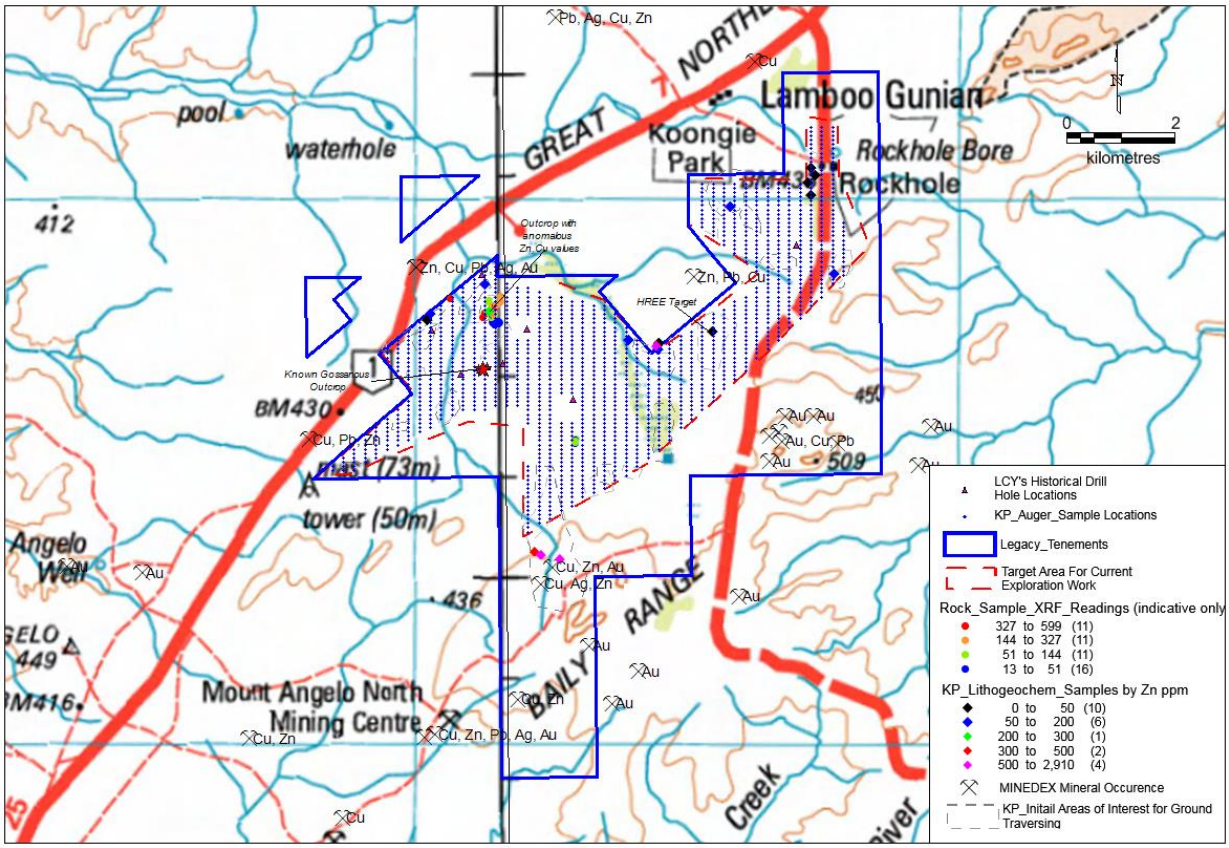

Figure 22: Koongie Park Project: Work Completed and Results until the current reporting period

During July/Aug 2018, the ground follow-up work focussed mainly on priority geochemical anomalies for base metals, REEs and gold in the project area. Six different prospects were targeted for on-ground exploration (Figure 23). REE1 and REE2 prospects were identified through systematic auger sampling and are considered highly prospective for HREEs. Hanging Tree East contains geological units prospective for base metals mineralisation and is directly along strike from known mineralisation at Hanging Tree prospect. Three additional areas (Angelo, Big Mac and Michelangelo) were identified following a substantial review of available technical data which revealed prospective areas for copper and base metals (Angelo) and gold (Michelangelo and Big Mac).

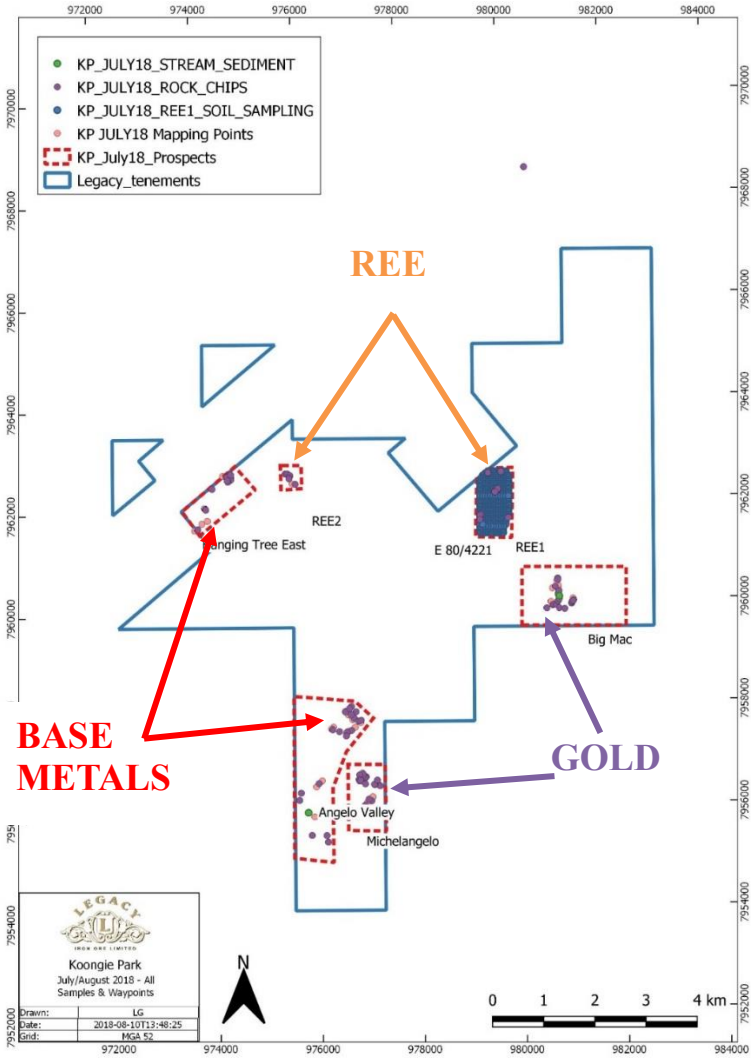

Figure23: Koongie Park project follow-up work areas

Brief description of the targets and work completed in this latest round –

REE 1

Geological traversing and rock chip sampling have confirmed the presence of this anomaly and successfully identified the REE-bearing unit (with XRF readings of up to 1.5% Y and total of all REE = 2337 ppm and 1515ppm in Rock chip sample). Further, 350 infill soil samples were collected to define and constrain the 500m long HREE anomaly defined by auger sampling.

Results from these soil and rock chip samples will allow the company to evaluate the size and extent of the anomaly and to determine a follow-up work plan.

REE 2

Rock chip sampling and geological traversing was completed on this early-stage target designed to identify the source of the a REE anomaly identified through auger sampling.

Analysis of rock chip results are pending.

Base Metal and Gold targets:

Hanging Tree East: Prospective geological units known to host significant base metals mineralisation in the region were traversed and tested with the aim of identifying potential drill targets.

Big Mac: Historical data revealed a significant (>20 ppb Au with values up to 600 ppb Au) anomaly over a strike length of 750m.The follow up work done during the reporting period will assist in develop a follow-up strategy to define and drill the source of gold anomalism.

Angelo: Historical data noted several occurrences of copper mineralisation at surface. The area was traversed to verify existing geological mapping. Four separate instances of secondary copper mineralisation were identified which are possibly associated with faulting. Further detailed work will be carried out in the coming in year 2019.

Michelangelo: Two separate instances of historical gold anomalism were followed up with geological traversing. Three parallel sets of quartz veining alteration associated with historical gold anomalism were identified and mapped across an area of 500m strike length. Additionally, a soil anomaly derived from the historical data was also investigated. Through geological traversing, a significantly altered quartz vein was identified corresponding to the anomaly. This was mapped over a distance of 800m and remains open to the southwest.

Work done in this period will be finally complied and interpreted in detail in the coming quarter once the assay results have returned.

Future Plan:

The follow-up steps/plan for the project includes-

- Revised interpretation of the available geophysical, other remote sensing and geochemical data sets.
- Detailed geological mapping and sampling in the southern part of the tenement where a number of occurrences are known for base metals and gold.
- Define drill targets for REE and base metal targets
- Follow-up by ground geophysics if required and drill testing (approximately 3,000m of drilling)

Sophie Downs, Ruby Plains and Taylor Lookout projects

As discussed above, these tenements are part of the Legacy Iron's East Kimberly project (Figure 20) and all the three tenements have some known tungsten occurrences and prospective geology to host polymetallic mineralisation (base and precious metal mineralisation). The tenements Sophie Downs, Taylor Lookout and Ruby plains have been granted in the July 2018.

Given that the tenements have been granted three months ago, no major field activity has been done. However, the company is in process of acquiring the all the remote sensing data and develop a follow-up strategy/work plan for each of the tenement.

IRON ORE and NICKEL-COPPER

Mt Bevan Project

Mt Bevan Project is a joint venture between Legacy Iron (60% interest) and Hawthorn. The project is a large tenement which hosts 1,170 Mt of magnetite resource @ 34.9% Fe (refer Table 1 below) as well as a potential for discovery of nickel–copper mineralisation in 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 now underpins the potential for a large-scale development at Mt Bevan (refer Table 1 below for the current resource estimate and Figure 2 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.

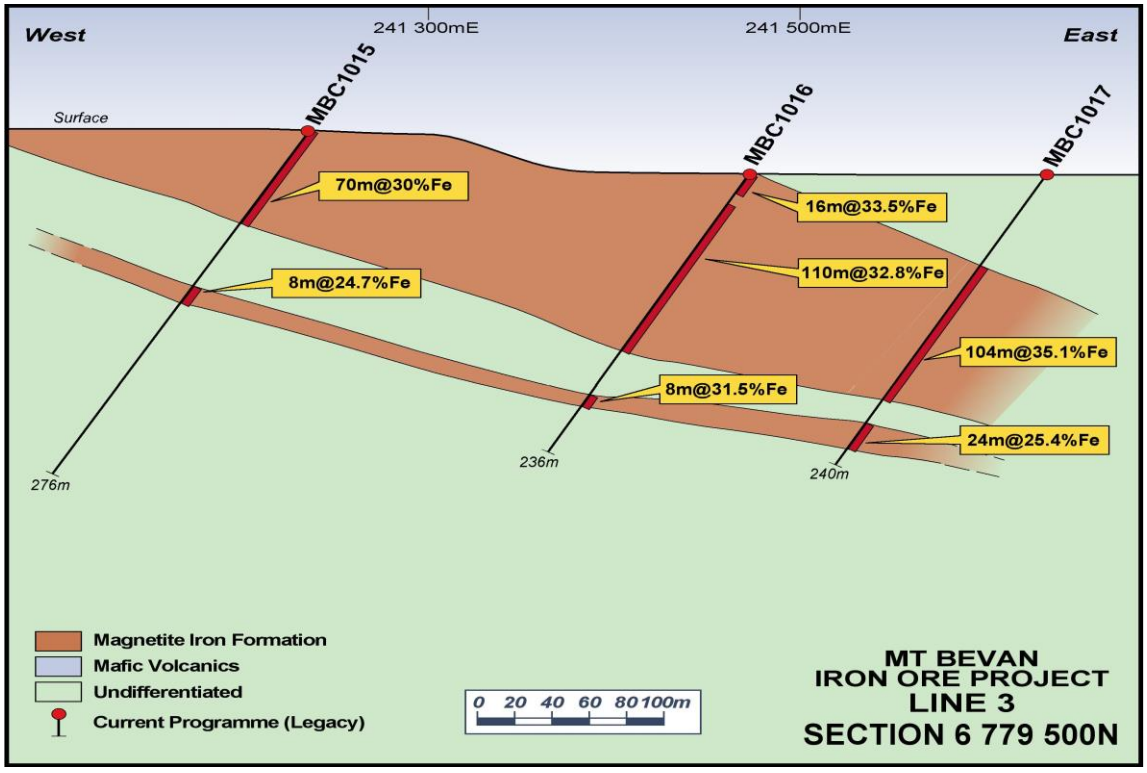

Figure 2: Drilling Cross Section - Lines 3

DIRECTORS' REPORT (continued)

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). - See Announcements from 2014 and 2015

(Full details of the project are available at the Company website www.legacyiron.com.au)

Also, the joint venture has successfully identified multiple targets for DSO iron ore mineralisation in the tenement. For DSO, particularly at Mt Mason North where a hematite resource (DSO) lies across the tenement boundary. Several geological mapping traverses were made in the area (Mt Mason and Eastern BIFs) during the past two years anda large number of rock chip samples was collected for geochemical analysis to support the delineation of some drill targets.

There are still substantial areas of the Mezzo/Eastern BIF to be mapped and sampled. It is planned to continue the mapping/sampling program over the Eastern/Mezzo BIF.

Additionally, during the past few quarters, a thorough assessment of the tenement was completed for the prospectivity of minerals other than iron. This review led the Company to identify several early stage exploration targets for nickel - copper, including one in the northern most part of the tenement (Figure 3).

Mt Bevan Nickel – Copper:

The Mt Bevan Project is located immediately south of St George Mining Limited's (ASX: SGQ) Mt Alexander Project (Figure 3). 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 announcement dated 04/06/2018).

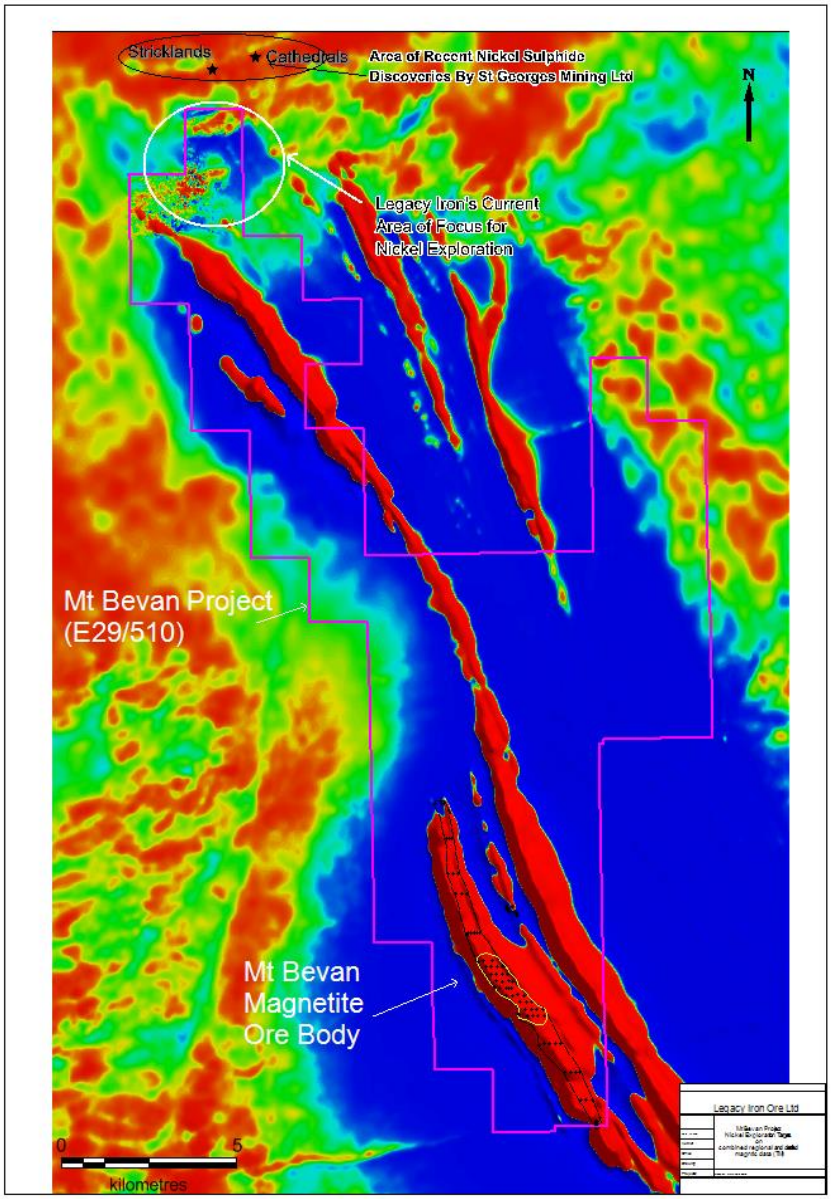

Figure 3: Mt Bevan Project – airborne magnetics data (TMI) showing area of interest for nickel sulphide mineralisation

In the recent past, following an initial prospectivity assessment, the Company completed both ground geophysics and auger geochemistry in the northernmost part of the tenement and delineated numerous early-stage nickel sulphide mineralisation targets for drill testing (refer ASX announcement on 30/04/2018).

A total of seven early stage targets/anomalies were identified using integrated analysis of ground magnetics, structural interpretations, Moving Loop Electromagnetic (MLEM) data and auger geochemical sampling (Figure 4 and Figure 5).

This area is almost completely concealed by recent alluvium and colluvium cover.

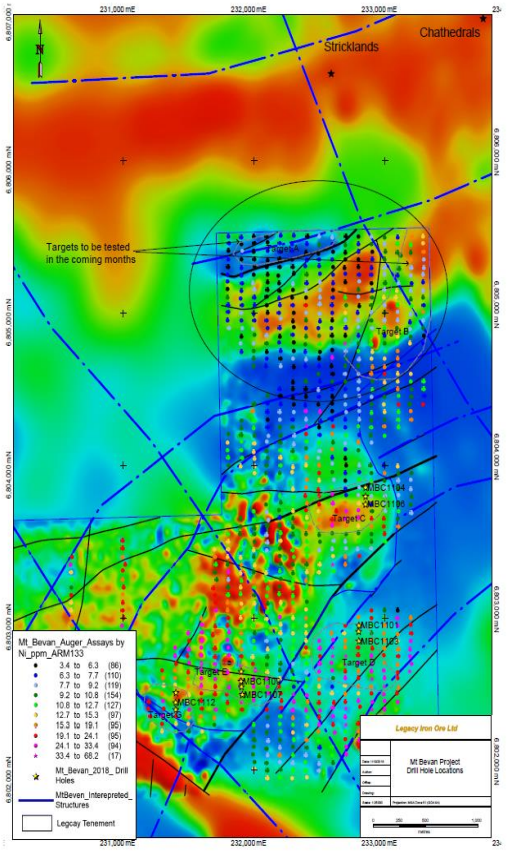

Figure 4: Merged ground and regional TMI magnetics with structural interpretations

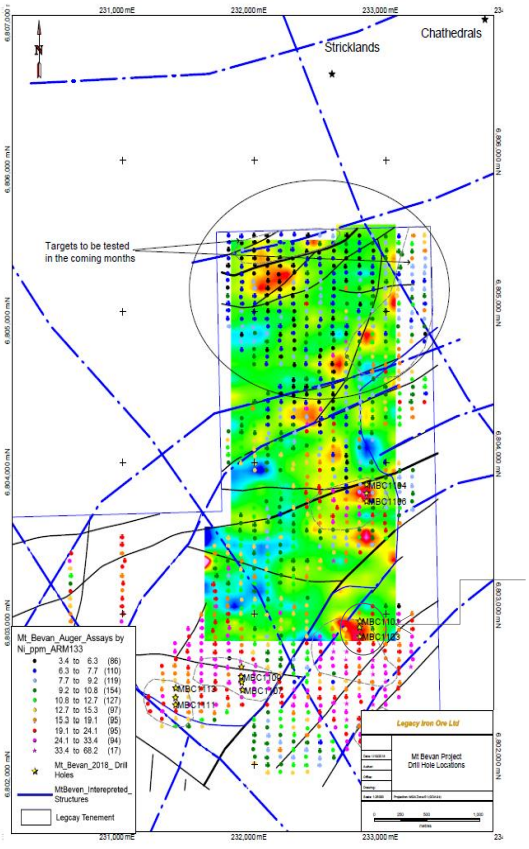

Figure 5: Auger geochemistry (Ni ppm) and MLEM Slingram CH25 with structural interpretation lines

All the three holes intersected mafic rocks with trace amount visible sulphides.

A first-pass drill program of 13 holes for 1,032m (Figure 5) was completed in towards end of the last quarter which was designed to test four of the seven identified anomalies and see that these early stage targets can further be upgraded. Geochemical assaying of the samples and down holes EM surveys have been completed in this quarter.

Remaining targets in the northern part of the current area of are likely to be drill tested in the coming months.

Mafic lithologies have been identified in the drill holes MBC1101 to MBC1103 with trace visible sulphides in two of the holes (Figure 5 and 6 and ASX announcement 4/10/2018).

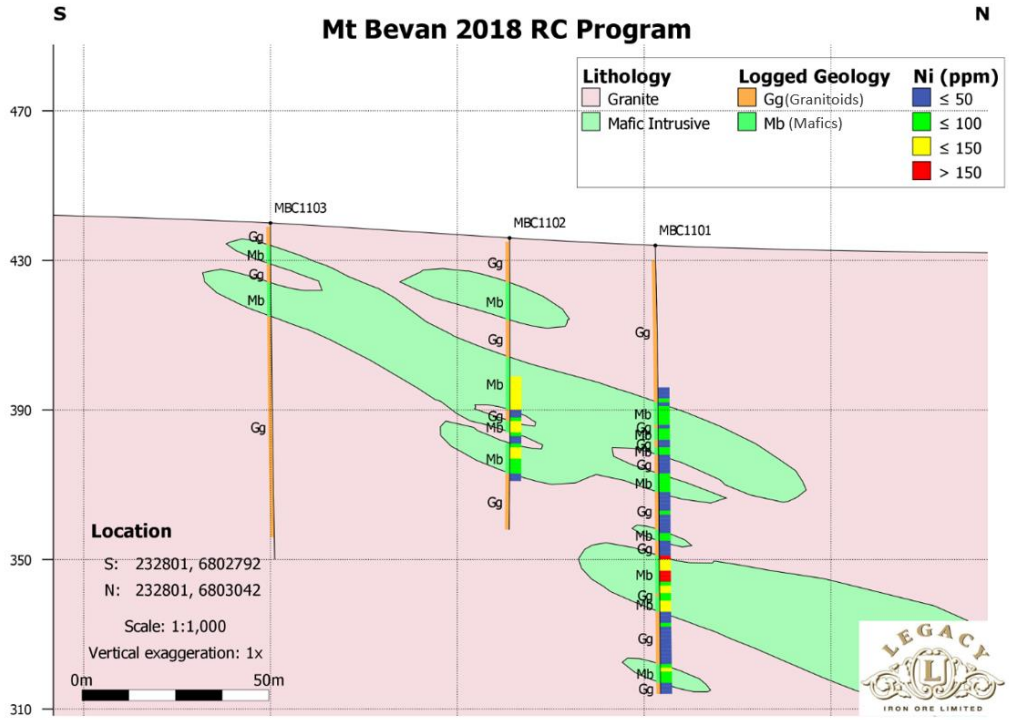

Figure 6: Interpreted geology from the drilling data across the target where mafic lithology was intersected

Assay results for the program were received and interpreted during this quarter and no significant/anomalous nickel-copper values were returned (refer ASX announcement of 4/10/2018).

All the RC drill samples (from the intervals selected based on geological logging) were analysed at SGS Lab Perth and Newexco was engaged for supervising data collection and interpretation for down hole EM data.

In total eight drill holes were surveyed using the down hole EM (DHEM) see Figure 7.

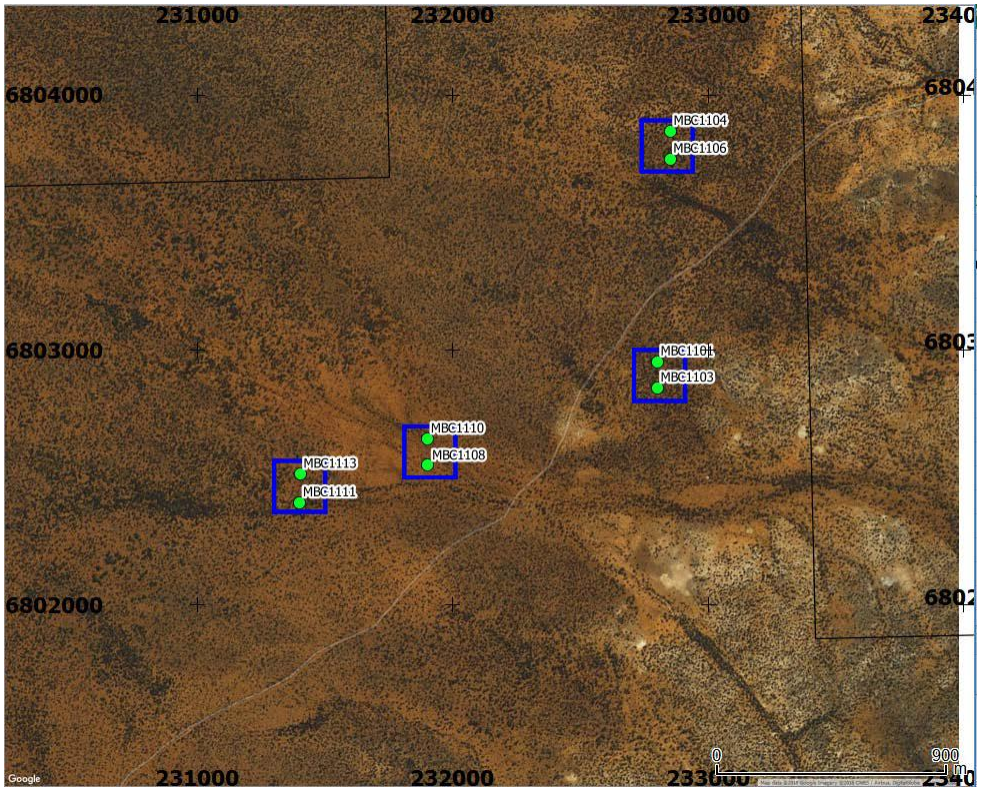

Figure 7: Plan view shows the drill holes and DHEM loops (blue squares)

The DHEM surveys were carried out using a Digi Atlantis (B-field) system operating at 95amps into a 200x200m loop. The data quality is good considering vertical holes and resistive rocks. However, some of the readings were quite noisy particularly on the radial (Bu and Bv) component data due to the vertical holes (DHEM probe moves (rotate) in the vertical holes that makes noisy data).

No DHEM survey was carried out in Hole MBC1101 due to the blockage at 4.8m. Holes MBC1104 and MBC1110 were blocked at 45.8m (EOH was 90m) and 41.5m (EOH was 60m) respectively and surveyed to those depths.

No anomalous response consistent with confined bedrock conductive source have been identified however, a weak response was observed at early times (0.2ms to 9.7ms) at downhole depth centred at 40m in Hole MBC1106, see Figure 8. This weak anomalous response is interpreted to be sourced by geological noise such as sharp contact/shear zone at this stage.

DIRECTORS' REPORT (continued)

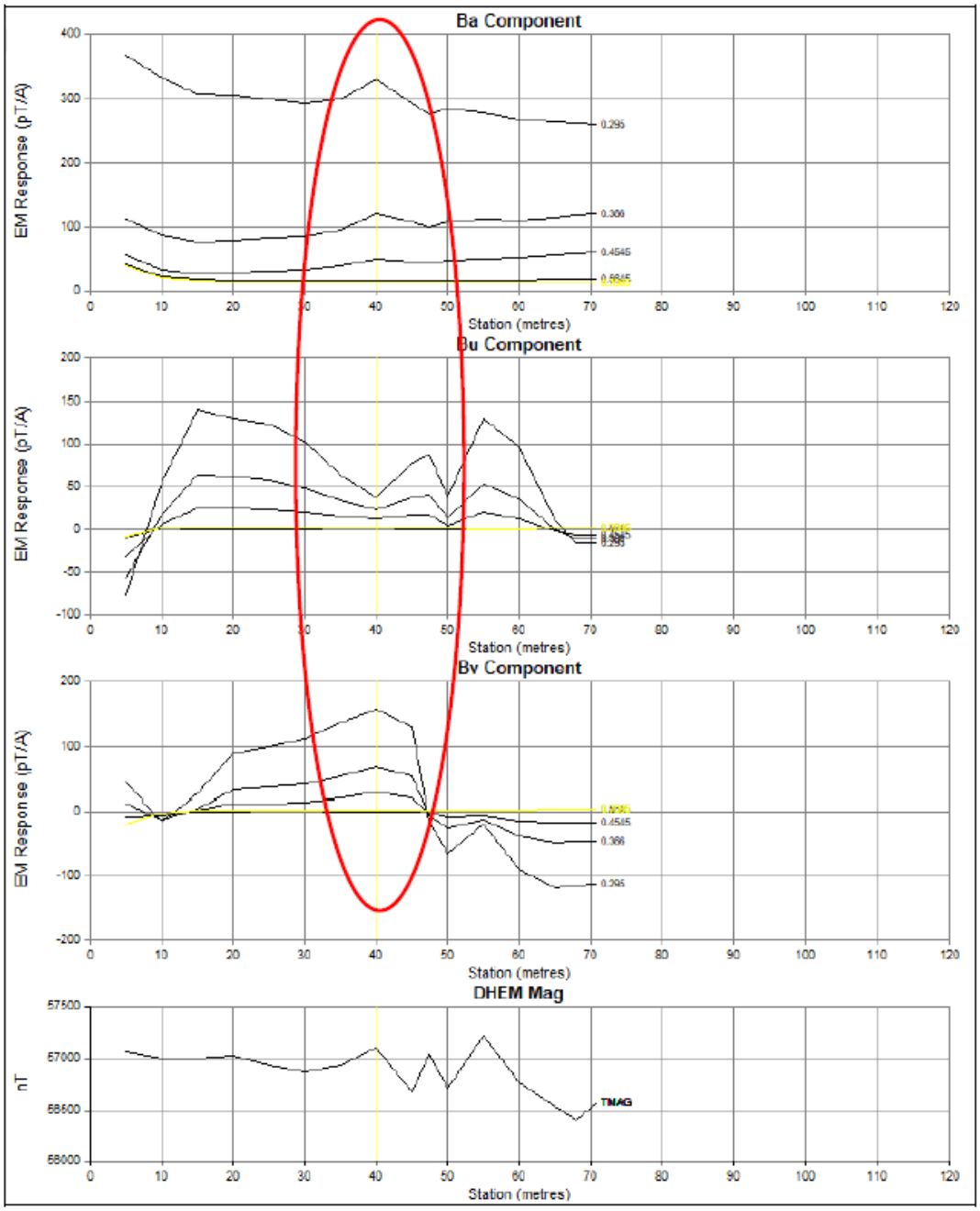

Figure 8: BMC1106 DHEM linear early times profiles CH6-CH10 (0.2ms to 0.7ms).

A strong response was observed on the top section (0m to 20m) of all holes surveyed. This strong response is interpreted to be caused by the transmitter loop.

Forward models were erected to see whether this DHEM survey could have detected a similar conductor to the Cathedrals style conductor (~25mx25m, 10000 Siemens with a flat lying target). The forward model response shows that this DHEM survey could have detected a similar target in close proximity to the drill hole (50m radius from drill hole).

In the next few months, the Company plans to drill test the remaining targets in the north of the tenement.

DIRECTORS' REPORT (continued)

Follow up Program

- Drill test remaining targets in northern most part.
- Geological mapping and sampling for remaining two target areas and if required some ground geophysics.
- Continue exploration (mapping/sampling) for shallow DSO iron ore mineralisation on tenement and identify drill targets.

PLANNED ACTIVITIES –

Principal activities planned for next six months will comprise:

South Laverton: Mt Celia project –

- Complete the planned drilling at Kangaroo Bore.
- Update the geology & resource model to assist with upgrading the resource classification for both the ore bodies in the Mt Celia project. Kangaroo Bore orebody is likely to be the first project to upgrade given that a significant amount of RC and DD drilling has already been done and been considered in the current estimates.
- Plan the follow-up on other targets present in the Mt Celia Project tenement.

Yilgangi –

- Complete the proposed drilling at Golden Rainbow prospect (300-500m of RC drilling)
- Continue with the MMI sampling in the remaining area in exploration tenements (ELs) and target generation
- Follow up the southern extension of identified anomalies.

Sunrise Bore –

Continue follow-up work on all the regional geochemical anomalies identified in the projects to date to accurately define the drill targets.

East Kimberley: Detail interpretation of the geochemical sampling results and review the HeliTEM data in the light of the latest information.

Geological mapping and sampling in the southern and eastern part of the tenement where a number of occurrences are known for base metals.

Drill Target definition

DIRECTORS' REPORT (continued)

New Tenements –

All the remote sensing data acquisition and develop a follow-up strategy/work plan for each of the tenement.

Mt Bevan Project: Finalise the drill plan for the remaining of the early stage targets in the projects.

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 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.

4. AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 30.

This report is made in accordance with a resolution of the Board of Directors.

Mr Rakesh Gupta
Chief Executive Officer
Perth
13 December 2018

Stantons International Audit and Consulting Pty Ltd
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13 December 2018

Board of Directors
Legacy Iron Ore Limited
Level 2
1-5 Havelock Street
West Perth, WA 6005

Dear Sirs

RE: LEGACY IRON ORE LIMITED

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Legacy Iron Ore Limited.

As Audit Director for the review of the financial statements of Legacy Iron Ore Limited for the period ended 30 September 2018, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

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

Yours faithfully

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LIMITED
(Trading as Stantons International)
(An Authorised Audit Company)

Martin Michalik
Director

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 30 SEPTEMBER 2018

	Note	Half Year ended 30 September 2018 $	Half Year ended 30 September 2017 $
Other Revenue		38,302	62,602
Compliance and regulatory expenses		(27,249)	(27,604)
Depreciation and amortisation expenses		(4,531)	(17,706)
Key management personnel remuneration	3	(206,963)	(249,287)
Employee benefits expenses		(80,693)	(71,254)
Exploration expenditure expensed		(3,707)	(1,107)
Occupancy expenses	3	(80,181)	(75,785)
Legal expenses		-	(3,255)
Travel expenses		(7,783)	(12,897)
Other expenses		(34,834)	(38,098)
Corporate services		(6,895)	(5,809)
Finance costs		(1,784)	(1,459)
Loss before income tax		(416,318)	(441,659)
Income tax benefit	4	-	-
LOSS FOR THE HALF YEAR ATTRIBUTABLE TO MEMBERS OF LEGACY IRON ORE LIMITED		**(416,318)**	**(441,659)**
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified to profit or loss			
Net gain on revaluation of financial assets		(75,450)	226,350
Items that will not be reclassified to profit or loss		-	-
Total other comprehensive income		(75,450)	226,350
TOTAL COMPREHENSIVE LOSS FOR THE HALF YEAR ATTRIBUATABLE TO MEMBERS OF LEGACY IRON ORE LIMITED		**(491,768)**	**(215,309)**
Basic and diluted loss per share		(0.03) cents per share	(0.03) cents per share

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2018

	Note	30 September 2018 $	31 March 2018 $
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents		2,363,951	3,152,245
Other Receivables	6	130,741	123,243
Other Financial Assets	5	703,467	777,881
TOTAL CURRENT ASSETS		3,198,159	4,053,369
NON-CURRENT ASSETS			
Plant and Equipment		6,455	10,986
Exploration and Evaluation Expenditure	7	10,261,492	9,765,007
TOTAL NON-CURRENT ASSETS		10,267,947	9,775,993
TOTAL ASSETS		**13,466,106**	**13,829,362**
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables		228,632	118,558
Employee Benefits		40,656	22,218
TOTAL CURRENT LIABILITIES		269,288	140,776
TOTAL LIABILITIES		**269,288**	**140,776**
NET ASSETS		**13,196,818**	**13,688,586**
EQUITY			
Issued Capital	8	54,626,757	54,626,757
Reserves		16,785,323	16,860,773
Accumulated Losses		(58,215,262)	(57,798,944)
TOTAL EQUITY		**13,196,818**	**13,688,586**

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30 SEPTEMBER 2018

	Issued Capital	Share Based Payment Reserve	Option Premium Reserve	Financial Assets Reserve	Accumulated Losses	Total
	$	$	$	$	$	$
BALANCE AT 1 APRIL 2017	**54,626,757**	**16,242,084**	**90,539**	**213,775**	**(56,916,438)**	**14,256,717**
Loss for the half-year	-	-	-	-	(441,659)	(441,659)
Other comprehensive income for the period	-	-	-	226,350	-	226,350
Total comprehensive income/(loss) for the period	-	-	-	226,350	(441,659)	(215,309)
Shares issued during the period (net of transaction costs)	-	-	-	-	-	-
BALANCE AT 30 SEPTEMBER 2017	**54,626,757**	**16,242,084**	**90,539**	**440,125**	**(57,358,097)**	**14,041,408**
BALANCE AT 1 APRIL 2018	**54,626,757**	**16,242,084**	**90,539**	**528,150**	**(57,798,944)**	**13,688,586**
Loss for the half-year	-	-	-	-	(416,318)	(416,318)
Other comprehensive income for the period	-	-	-	(75,450)	-	(75,450)
Total comprehensive income/(loss) for the period	-	-	-	(75,450)	(416,318)	(491,768)
Shares issued during the period (net of transaction costs)	-	-	-	-	-	-
BALANCE AT 30 SEPTEMBER 2018	**54,626,757**	**16,242,084**	**90,539**	**452,700**	**(58,215,262)**	**13,196,818**

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED
30 SEPTEMBER 2018

	Half Year ended 30 September 2018 $	Half Year ended 30 September 2017 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(396,738)	(474,579)
Interest received	52,936	99,652
Finance costs paid	(1,784)	(1,459)
Receipt from customer	-	-
Net cash flows (used in) operating activities	(345,586)	(376,386)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for exploration and evaluation	(524,293)	(415,420)
Payment for held to maturity financial asset	-	(1,675)
Purchase of fixed asset	-	(2,113)
Proceeds from/payment for security deposits	-	-
Receipt of cash call from Joint Venture participant	81,585	43,232
Net cash flows (used in) investing activities	(442,708)	(375,976)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of finance lease	-	-
Net cash flows (used in) financing activities	-	-
Net Decrease in Cash and Cash Equivalents	(788,294)	(752,362)
Cash and Cash Equivalents at the Beginning of Half Year	3,152,245	4,719,189
CASH AND CASH EQUIVALENTS AT THE END OF HALF YEAR	**2,363,951**	**3,966,827**

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2018

1. BASIS OF PREPARATION OF HALF YEAR REPORT

This condensed interim financial report for the half year reporting period ended 30 September 2018 is a general purpose financial statement 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 2018 together with any public announcements made during the half year.

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 except in relation to the matters discussed at Note 1(b) below:

(a) Going Concern

The 30 September 2018 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 and Revised Accounting Requirements Applicable to the Current Half-year Reporting Period

In the half-year ended 30 September 2018, the directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company's operations and effective for annual reporting periods beginning on or after 1 January 2018.

It has been determined by the directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Company and, therefore, no change is necessary to the Company's accounting policies.

The directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half-year ended 30 September 2018. As a result of this review the directors have determined that there is no impact, material or otherwise, of these new and revised Standards and Interpretations on the Company. The Company does not expect to early adopt any of these standards and interpretations that are not yet effective.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED
30 SEPTEMBER 2018

2. DIVIDENDS

No dividends have been paid or proposed during the six month period ended 30 September 2018 (30 September 2017: NIL).

3. LOSS BEFORE INCOME TAX

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

	30 September 2018 $	30 September 2017 $
Key management personnel remuneration	206,963	249,287
Occupancy expenses	80,181	75,785

4. INCOME TAX

Income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year. The estimated average annual tax rate used for the period to 30 September 2018 is 0% (30 September 2017: 0%).

5. *OTHER FINANCIAL ASSETS*	30 September 2018	*Six months ended* 31 March 2018
Current	$	$
- Security deposits held(i)	87,292	86,256
- Shares in listed corporation at fair value–Level 1(ii)	616,175	691,625
	703,467	**777,881**

	30 September 2018	31 March 2018
Opening balance	691,625	603,600
Fair value gain/(loss) on available-for-sale financial assets (a)	(75,450)	88,025
Closing balance	**616,175**	**691,625**

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED
30 SEPTEMBER 2018

6. OTHER RECEIVABLES

	30 September 2018	31 March 2018
Current	**$**	**$**
Loans receivable - unrelated entity (a)	200,000	200,000
Less Provision for impairment	(200,000)	(200,000)
Sundry receivables (b)	56,633	67,111
Prepayments	74,108	56,132
Total current receivables	**130,741**	**123,243**

(a) The loan receivable from an unrelated entity is current and unsecured. The loan is past due and has been fully provided.
(b) Amounts receivable from unrelated entities are expected to be recovered within normal terms.
(c) 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.

7. EXPLORATION AND EVALUATION EXPENDITURE

	Six months ended 30 September 2018	Six months ended 31 March 2018
Non-Current	**$**	**$**
Costs carried forward in respect of areas of interest in:		
- Exploration and evaluation phases – at cost	**10,261,492**	**9,765,007**
Movement in carrying amounts		
Carrying amount at the beginning of the period	9,765,007	9,429,301
Exploration tenements acquired	-	-
Exploration expenditure capitalised during the period	578,176	340,039
Less: Recovery of expenditure from Joint Venture participant	(81,691)	(4,333)
Carrying amount at the end of the period	**10,261,492**	**9,765,007**

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED
30 SEPTEMBER 2018

8. ISSUED CAPITAL

(a) Fully paid ordinary shares	**Six months ended 30 September 2018**		**Six month ended 31 March 2018**	
	No	**$**	**No**	**$**
At beginning of reporting period	1,468,264,157	54,626,757	1,468,264,157	54,626,757
Shares issued during the half year	-	-	-	-
At reporting date	**1,468,264,157**	**54,626,757**	**1,468,264,157**	**54,626,757**

(b) Options on issue	**Six months ended 30 September 2018 No**	**Six months ended 31 March 2018 No**
At beginning of reporting period	-	-
Options issued during the half year	-	-
Options expired during the half year	-	-
At reporting date	**-**	**-**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED
30 SEPTEMBER 2018

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* *$*	*Total* *$*
Six months ended 30 September 2018				
SEGMENT REVENUE	6,741	-	31,561	**38,302**
SEGMENT NET LOSS BEFORE TAX				
Depreciation	-	-	(4,531)	(4,531)
Corporate charges	-	-	(450,089)	(450,089)
SEGMENT PROFIT/ (LOSS)	6,741	-	(423,059)	**(416,318)**
SEGMENT ASSETS				
Segment assets	5,969,176	4,884,680	2,612,250	**13,466,106**
increases/(decreases) for the half year	26,054	382,825	(772,135)	(363,256)
SEGMENT LIABILITIES	-	-	269,288	**269,288**
Six months ended 30 September 2017				
SEGMENT REVENUE	4,516	-	58,086	**62,602**
SEGMENT NET LOSS BEFORE TAX				
Depreciation	-	-	(17,706)	(17,706)
Corporate charges	-	-	(486,555)	(486,555)
SEGMENT PROFIT/ (LOSS)	4,516	-	(446,175)	**(441,659)**
SEGMENT ASSETS				
Segment assets	5,854,102	4,167,143	4,252,430	**14,273,675**
increases/(decreases) for the half year	300,869	343,422	(788,643)	(144,352)
SEGMENT LIABILITIES	-	-	232,267	**232,267**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED
30 SEPTEMBER 2018

10. CONTINGENT LIABILITIES

As per the terms of a sublease executed for the office space rental, Legacy is entitled to a rent concession of $2,929.79 per month for the term of sublease (being 3 years). This concession will cease to apply and will be refunded to the sub lessor if the Company breaches an essential term of the sublease agreement at any time during the tenure of the lease. The Company accounted for a rent concession of $66,214 till 30 September 2018.

11. EVENTS SUBSEQUENT TO REPORTING DATE

No matter or circumstance 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.

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, as set out on the accompanying pages, 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 2018 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 2018

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF LEGACY IRON ORE LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Legacy Iron Ore Limited, which comprises the statement of financial position as at 30 September 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity, statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of Legacy Iron Ore Limited 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 is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, 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: giving a true and fair view of the company's financial position as at 30 September 2018 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*. As the auditor of Legacy Iron Ore Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been provided to the directors of Legacy Iron Ore Limited on 6 December 2018.

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Conclusion

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 is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the Company's financial position as at 30 September 2018 and of its performance for the half-year ended on that date; and

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

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd

Martin Michalik
Director

West Perth, Western Australia
13 December 2018