



ASX Announcement
22 June 2020

About Legacy Iron Ore

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

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

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

Board

N. Baijendra Kumar, Non-Executive Chairman

Amitava Mukherjee, Non-Executive Director

Alok Kumar Mehta, Non-Executive Director

Devanathan Ramachandran, Non-Executive Director

Rakesh Gupta, Director and Chief Executive Officer

Ben Donovan, Company Secretary

Key Projects

Mt Bevan Iron Ore Project
South Laverton Gold Project
East Kimberley Gold, Base Metals and REE Project

Enquiries

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Chief Executive Officer
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ASX Market Announcements

ASX Limited

Via E-Lodgment

2020 Notice of Annual General Meeting

The board of Legacy Iron Ore Limited ("Legacy Iron" or the "Company") is pleased to present the Company's Notice of Annual General Meeting, for a meeting to be held on Monday, 27 July 2020 from 2pm WST.

Legacy Iron is closely monitoring the impact of the unprecedented COVID-19 virus in Australia and is following guidance from the Federal and State Governments.

Due to the ongoing COVID-19 pandemic, Shareholders will **NOT** be able to attend the meeting in person but can participate in the Meeting via teleconference.

All voting will be conducted by poll using proxy instructions received in advance of the Meeting. Please refer to the Explanatory Memorandum attached to the Notice for further details.

The Company will make updates to the ASX in the event of any change of Federal Government guidance which may affect the meeting, including providing details of alternate options for shareholders to participate.

This release has been authorised by the Company Secretary.

Yours faithfully,

Ben Donovan
Company Secretary



ACN 125 010 353

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY STATEMENT

Annual General Meeting to be held at the
Offices of Legacy Iron Ore Ltd
Level 6, 200 Adelaide Terrace
Perth, WA

On Monday 27 July 2020
commencing at 2 pm (WST)

DUE TO THE ONGOING COVID-19 PANDEMIC, SHAREHOLDERS WILL **NOT BE ABLE TO ATTEND THE MEETING IN PERSON. SHAREHOLDERS WILL ONLY BE ABLE TO ATTEND THE MEETING VIA TELECONFERENCE.**

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

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Legacy Iron Ore Limited will be held at the Offices of the Company, Level 6, 200 Adelaide Terrace, Perth WA on Monday 27 July 2020 commencing at 2 pm (WST).

ORDINARY BUSINESS

1. Financial Statements and Reports

To receive and consider the annual financial report, together with the Directors' and auditor's reports for the financial year ending 31 March 2020.

2. Adoption of Remuneration Report (Resolution 1)

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

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the remuneration report as contained in the Company's annual financial report for the financial year ending 31 March 2020."

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

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

However, a person (the **voter**) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- (b) the voter is the Chair and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on this Resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Generally speaking, the Company's KMP are people having authority and responsibility for planning, controlling and directing the Company's activities in a direct or indirect manner. KMP's include the Directors, and senior executives of the Company.

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

3. Re-election of Director (Resolution 2)

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

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

4. Re-election of Director (Resolution 3)

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

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

SPECIAL BUSINESS

5. Approval of New Constitution (Resolution 4)

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

"That, for the purposes of section 136 of the Corporations Act and for all other purposes, the constitution of the Company be repealed and replaced with a constitution in the form of the document tabled at this Meeting and signed by the Chair for the purposes of identification, effective immediately."

Explanatory Statement

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

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

Proxies

Please note that:

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

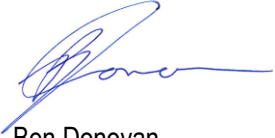
The enclosed proxy form provides further details on appointing proxies and lodging proxy forms. If a Shareholder appoints a body corporate as its proxy and the body corporate wishes to appoint an individual as its representative, the body corporate should provide that person with a certificate or letter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

Voting Entitlements

In accordance with Regulations 7.11.37 and 7.11.38 of the Corporations Regulations 2001, the Board has determined that a person's entitlement to vote at the Annual General Meeting will be the entitlement of that person set out in the register of Shareholders as at 5pm WST on 25 July 2020. Accordingly, transactions registered after that time will be disregarded in determining a Shareholder's entitlement to attend and vote at the Annual General Meeting.

Enquiries

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

By Order of the Board of Directors

Ben Donovan
Company Secretary
Dated this 22 June 2020

Explanatory Statement

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

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

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

Action to be taken by Shareholders

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

Impact of COVID-19 on the Meeting

The health and safety of members and personnel, and other stakeholders, is the highest priority and the Company is acutely aware of the current circumstances resulting from COVID19. While the COVID-19 situation remains volatile and uncertain, based on the best information available to the Board at the time of the Notice, the Company intends to conduct a poll on the resolutions in the Notice using the proxies filed prior to the Meeting.

Shareholders will be able attend the Meeting virtually by teleconference but all votes will be counted on the proxy forms received prior to the meeting.

If the situation in relation to COVID-19 were to change in a way that affected the position above, the Company will provide a further update ahead of the Meeting by releasing an announcement to ASX.

No attendance in person

Given the current COVID-19 circumstances and in the interests of public health and safety of our Shareholders, the Company is **NOT** able to allow Shareholders to physically attend the Meeting. Please refer to the information below on how Shareholders can participate in the Meeting.

Voting by Proxy

All voting will be conducted by poll using proxy instructions received in advance of the Meeting. Shareholders are strongly encouraged to submit their proxies as early as possible and in any event prior to the cut-off for proxy voting as set out in the Notice. To lodge your proxy, please follow the directions on your Proxy Form which will be enclosed with a copy of the Notice, delivered to you by email or post (depending on your communication preferences).

Lodgement instructions are set out in the Proxy Form attached to the Notice. You must return a Proxy Form by the time and in accordance with the instructions set out on the Proxy Form.

Remote attendance via teleconference

The Meeting will be accessible to all Shareholders via teleconference, which will allow Shareholders to listen to and observe the Meeting. If you wish to attend the virtual Meeting, please use the dial in details below to join the teleconference. The dialling number will be ready to receive calls 15 minutes before the Meeting. Shareholders should note that the teleconference will not provide for a voting mechanism during the Meeting.

Weblink:	https://bluejeans.com/463588883?src=join_info
Webinar ID:	463 588 883

Item 1 - Financial Statements and Reports

The Corporations Act requires the reports of the Directors and of the Company's auditor and the annual financial report for the year to 31 March 2020, including the financial statements, to be put before the Annual General Meeting and the Constitution provides for those reports and statements to be received and considered at the Annual General Meeting. Neither the Corporations Act nor the Constitution requires a vote of Shareholders at the Annual General Meeting on the reports or statements. However, Shareholders will be given an opportunity to raise questions on the reports and statements at the Annual General Meeting.

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

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

Item 2 – Adoption of Remuneration Report (Resolution 1)

The Remuneration Report is set out in the Directors Report in the Company's Annual Report for the period ending 31 March 2020. This report sets out the Company's remuneration policy and reports on the remuneration arrangements in place for Directors and key executives of the Company.

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

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

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

Shareholders also need to be aware that as a result of the new legislation which became effective on 1 July 2011 a "two strikes" process will apply to the results of voting in relation to Resolution 1. This means that if the resolution proposing adoption of the Remuneration Report receives a "no" vote of over 25% of votes cast by those attending in person or by proxy and permitted to vote, at two successive annual general meetings, then at the Company's next annual general meeting, an extra resolution must be put to the meeting proposing that another general meeting should be held within 90 days of the second annual general meeting. A simple majority of over 50% of the votes cast at the next annual general meeting is required to pass this extra resolution. If the resolution is passed, within 90 days another general meeting must be held at which all the Directors, except the Managing Director/Chief Executive Officer and any new Directors appointed since the date of the next annual general meeting, will be required to resign and offer themselves for re-election. These provisions are colloquially referred to as the "two strikes rule" and the "spill resolution" to be put to the "spill meeting".

If at the spill meeting, the resolutions are all passed against re-electing the relevant Directors, the legislation includes a mechanism to ensure the Board continues with the statutory required minimum of 3 Directors. After the Managing Director/Chief Executive Officer, the remaining positions will be filled by the Directors whose re-election resolutions at the spill meeting received the highest percentage of votes in favour of re-election. If the number of votes is the same for Directors, the Managing Director/Chief Executive

Officer and any other Director whose re-election has been confirmed at this spill meeting, can choose who is to become the new Director, with such appointment to be confirmed by shareholders at the next annual general meeting.

At the Company's 2019 Annual General Meeting, there were **3,174,376** votes cast against the 2019 Remuneration Report, and the Company therefore has not received a first strike as part of the two strikes process.

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

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

Listing Rule 14.4 and clause 11.3 of the Constitution provide that, other than a managing director, a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer. If the Directors have been in office for an equal length of time, then Directors who must be re-elected will be determined by the agreement of the Directors.

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

Accordingly, Mr Amitava Mukherjee, who has served as a Director since 11 March 2019 and his directorship was ratified on 22 August 2019, retires by rotation at the Annual General Meeting and, being eligible, he offers himself for re-election as a Director.

Mr Mukherjee currently serves as the Director (Finance) of NMDC Limited, and is an accountant holding a Master of Commerce Degree from Guru Ghasi Das University, Bilaspur, and belongs to the 1995 batch of Indian Railway Accounts Services (IRAS). Prior to joining NMDC as finance director, he held the post of General Manager (Finance) in Rail Vikas Nigam Limited (RVNL) for approximately 3 years. During his tenure in IRAS, he held various key positions in the Eastern Railways from 1997 to 2016. He has also worked in Indian Oil Corporation Limited as Accounts Officer from 1994-1997. He was also nominated by Railway Board to various Task Groups for Centralised Applications of Finance & Accounts department of Indian Railways.

If re-elected, the Board does not consider Mr Mukherjee will be an independent Director

The Board has reviewed Mr Mukherjee's performance since his appointment to the Board and considers that Mr Mukherjee's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Mr Mukherjee and recommends that Shareholders vote in favour of Resolution 2.

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

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

The requirements of Listing Rule 14.4 and clause 11.3 of the Constitution are set out in Item 3 above.

Mr Alok Kumar Mehta, who has served as a Director since 17 June 2019 and his directorship was ratified on 22 August 2019, retires by rotation at the Annual General Meeting and, being eligible, he offers himself for re-election as a Director.

Mr Mehta is a Graduate in Mechanical Engineering from NIT Raipur and currently serves as the Director (Commercial) of NMDC Limited with responsibilities including the commissioning of the 3.0 Mtpa Steel Plant at Nagarnar. Mr Mehta graduated from NIT Raipur in mechanical engineering and has in excess of 35 years of experience in the areas of iron ore mining, iron & steel production and the copper Industry, with experience gained from within India and abroad.

He began his career in India in 1983 with Hindustan Copper Limited before joining Saurashtra Chemical, Porbander in 1993. Mr Mehta has worked for Aditya Birla group at Birla Copper Dahej and has also significant experience in Australia in 2003 having been responsible for the construction of the Mount Garden Plant situated in Queensland, Australia.

Prior to taking over as Director (Commercial) of NMDC Ltd, he was responsible for the execution of all the engineering, contracts and project activities of NMDC as an Executive Director. He is also in the Board of three subsidiary companies and one Joint Venture company of NMDC.

Mr Mehta holds the following directorships: NMDC Limited, J&K Mineral Development Corporation Ltd, NMDC Power Ltd, NMDC Steel Ltd, Bastar Railway Pvt. Ltd.

If re-elected, the Board does not consider Mr Mehta will be an independent Director.

The Board has reviewed Mr Mehta's performance since his appointment to the Board and considers that Mr Mehta's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Mr Mehta and recommends that Shareholders vote in favour of Resolution 3.

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

Item 5 – Adoption of Constitution (Resolution 4)

Under section 136(2) of the Corporations Act, a company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders. Resolution 4 seeks the approval of Shareholders to repeal the Company's existing Constitution and adopt a new constitution ("Proposed Constitution") which is of the type required for a listed public company limited by shares.

The current Constitution was adopted in April 2007. Since then, there have been a number of changes to the Corporations Act, the ASX Listing Rules, the ASX Settlement Rules, and corporate governance principles for listed companies. Accordingly, the Board considers that it is in the best interests of the Company and its shareholders to revise and update the current Constitution.

Given the number of changes involved and the need to use updated technology, the best and most efficient way of doing so is to adopt the Proposed Constitution.

The Proposed Constitution is broadly consistent with the provisions of the existing Constitution. Many of the proposed changes are administrative or minor in nature, including but not limited to:

- updating references to bodies or legislation which have been renamed (e.g. references to the Australian Settlement and Transfer Corporation Pty Ltd, ASTC Settlement Rules and ASTC Transfer); and
- expressly providing for statutory rights by mirroring these rights in provisions of the Proposed Constitution.

A copy of the Proposed Constitution is available for review by Shareholders at the office of the Company. A copy can also be sent to Shareholders upon request to the Company Secretary. Shareholders are invited to contact the Company if they have any queries or concerns.

Resolution 4 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Summary of material proposed changes:

Restricted Securities (clause 2.12)

The Proposed Constitution complies with the recent changes to Listing Rule 15.12 which took effect from 1 December 2019. As a result of these changes, ASX will require certain more significant holders of restricted securities and their controllers (such as related parties, promoters, substantial holders, service providers and their associates) to execute a formal escrow agreement in the form Appendix 9A, as is currently the case. However, for less significant holdings (such as non-related parties and non-promoters), ASX will permit the Company to issue restriction notices to holders of restricted securities in the form of the new Appendix 9C advising them of the restriction rather than requiring signed restriction agreements.

Minimum Shareholding (clause 3)

Clause 3 of the Constitution outlines how the Company can manage shareholdings which represent an "unmarketable parcel" of shares, being a shareholding that is less than \$500 based on the closing price of the Company's Shares on ASX as at the relevant time.

The Proposed Constitution is in line with the requirements for dealing with "unmarketable parcels" outlined in the Corporations Act such that where the Company elects to undertake a sale of unmarketable parcels, the Company is only required to give one notice to holders of an unmarketable parcel to elect to retain their shareholding before the unmarketable parcel can be dealt with by the Company, saving time and administrative costs incurred by otherwise having to send out additional notices.

Clause 3 of the Proposed Constitution continues to outline in detail the process that the Company must follow for dealing with unmarketable parcels.

Fee for registration of off market transfers (clause 8.4(c))

On 24 January 2011, ASX amended Listing Rule 8.14 with the effect that the Company may now charge a “reasonable fee” for registering paper-based transfers, sometimes referred to “off-market transfers”.

Clause 8.4 of the Proposed Constitution is being made to enable the Company to charge a reasonable fee when it is required to register off-market transfers from Shareholders. The fee is intended to represent the cost incurred by the Company in upgrading its fraud detection practices specific to off-market transfers.

Before charging any fee, the Company is required to notify ASX of the fee to be charged and provide sufficient information to enable ASX to assess the reasonableness of the proposed amount.

Direct Voting (clause 13, specifically clauses 13.35 – 13.40)

The Proposed Constitution includes a new provision which allows Shareholders to exercise their voting rights through direct voting (in addition to exercising their existing rights to appoint a proxy). Direct voting is a mechanism by which Shareholders can vote directly on resolutions which are to be determined by poll. Votes cast by direct vote by a Shareholder are taken to have been cast on the poll as if the Shareholder had cast the votes on the poll at the meeting. In order for direct voting to be available, Directors must elect that votes can be cast via direct vote for all or any resolutions and determine the manner appropriate for the casting of direct votes. If such a determination is made by the Directors, the notice of meeting will include information on the application of direct voting.

Dividends (clause 22)

Section 254T of the Corporations Act was amended effective 28 June 2010.

There is now a three-tiered test that a company will need to satisfy before paying a dividend replacing the previous test that dividends may only be paid out of profits.

The amended requirements provide that a company must not pay a dividend unless:

- (a) the company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;
- (b) the payment of the dividend is fair and reasonable to the company's shareholders as a whole; and
- (c) the payment of the dividend does not materially prejudice the company's ability to pay its creditors.

The existing Constitution reflects the former profits test and restricts the dividends to be paid only out of the profits of the Company. The Proposed Constitution is updated to reflect the new requirements of the Corporations Act. The Directors consider it appropriate to update the Constitution for this amendment to allow more flexibility in the payment of dividends in the future should the Company be in a position to pay dividends.

Partial (proportional) takeover provisions (clause 36)

A proportional takeover bid is a takeover bid where the offer made to each shareholder is only for a proportion of that shareholder's shares.

Pursuant to section 648G of the Corporations Act, the Company has included in the Proposed Constitution a provision whereby a proportional takeover bid for Shares may only proceed after the bid has been approved by a meeting of Shareholders held in accordance with the terms set out in the Corporations Act.

This clause of the Proposed Constitution will cease to have effect on the third anniversary of the date of the adoption of last renewal of the clause.

Information required by section 648G of the Corporations Act

Effect of proposed proportional takeover provisions

Where offers have been made under a proportional off-market bid in respect of a class of securities in a company, the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under such a proportional off-market bid is prohibited unless and until a resolution to approve the proportional off-market bid is passed.

Reasons for proportional takeover provisions

A proportional takeover bid may result in control of the Company changing without Shareholders having the opportunity to dispose of all their Shares. By making a partial bid, a bidder can obtain practical control of the Company by acquiring less than a majority

interest. Shareholders are exposed to the risk of being left as a minority in the Company and the risk of the bidder being able to acquire control of the Company without payment of an adequate control premium. These amended provisions allow Shareholders to decide whether a proportional takeover bid is acceptable in principle, and assist in ensuring that any partial bid is appropriately priced.

Knowledge of any acquisition proposals

As at the date of this Notice of Meeting, no Director is aware of any proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

Potential advantages and disadvantages of proportional takeover provisions

The Directors consider that the proportional takeover provisions have no potential advantages or disadvantages for them and that they remain free to make a recommendation on whether an offer under a proportional takeover bid should be accepted.

The potential advantages of the proportional takeover provisions for Shareholders include:

- (a) the right to decide by majority vote whether an offer under a proportional takeover bid should proceed;
- (b) assisting in preventing Shareholders from being locked in as a minority;
- (c) increasing the bargaining power of Shareholders which may assist in ensuring that any proportional takeover bid is adequately priced; and
- (d) each individual Shareholder may better assess the likely outcome of the proportional takeover bid by knowing the view of the majority of Shareholders which may assist in deciding whether to accept or reject an offer under the takeover bid.

The potential disadvantages of the proportional takeover provisions for Shareholders include:

- (a) proportional takeover bids may be discouraged;
- (b) lost opportunity to sell a portion of their Shares at a premium; and
- (c) the likelihood of a proportional takeover bid succeeding may be reduced.

Recommendation of the Board

The Directors do not believe the potential disadvantages outweigh the potential advantages of adopting the proportional takeover provisions and as a result consider that the proportional takeover provision in the Proposed Constitution is in the interest of Shareholders and unanimously recommend that Shareholders vote in favour of Resolution 4.

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

Glossary

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

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