



IRON ORE LIMITED

An NMDC Company

ASX Announcement  
28 April 2016

## About Legacy Iron Ore

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

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

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

## Board

**Narendra Kumar Nanda**, Non-Executive Chairman

**Devinder Singh Ahluwalia**, Non-Executive Director

**Tangula Rama Kishan Rao**, Non-Executive Director

**Devanathan Ramachandran**, Non-Executive Director

**Timothy Turner**, Non-Executive Director

**Rakesh Gupta**, Chief Executive Officer

**Ben Donovan**, Company Secretary

## Key Projects

Mt Bevan Iron Ore Project

South Laverton Gold Project

East Kimberley Gold, Base Metals and REE Project

## Enquiries

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ASX Market Announcements

ASX Limited

Via E Lodgement

## SOUTH LAVERTON GOLD PROJECT – AUGER PROGRAM RESULTS

### Highlights

- Several gold anomalies identified within the Sunrise Bore Project.
- Follow up second phase of auger drilling planned for May 2016

Legacy Iron Ore Limited (**Legacy Iron** or the **Company**) is pleased to announce the results of a recently completed program of 496 auger soil samples at the Sunrise Bore Project, which forms part of the company's South Laverton gold project (Figure 1).

The Sunrise Bore project lies some 12km east of the world class Sunrise Dam gold mine operated by Anglo Ashanti Gold.

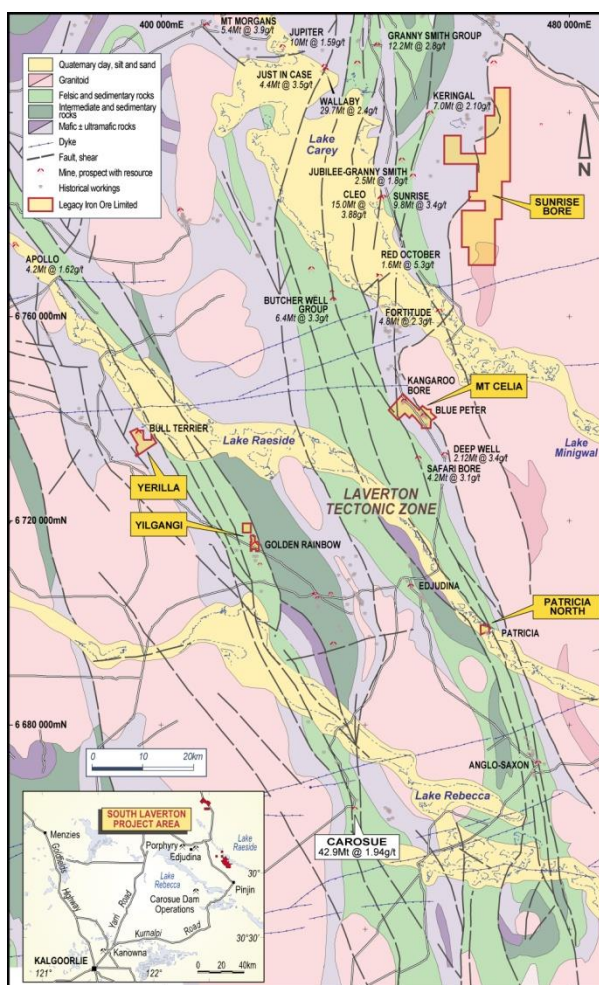


Figure 1: South Laverton Gold Project - tenements

A total of 496 samples were collected from four prospect areas throughout E 39/1748. Samples were collected over a broadly spaced grid in order to facilitate the coverage of a large area.

The field program was designed to cover a number of priority target shear zones, several of which are associated with gold anomalism noted in reconnaissance field work.

Soil sampling returned a peak Au value of 25ppb, while this is a rather low value it is higher than that the background gold (Au) values of the areas sampled. A number of areas contained results between 10ppb to 25ppb and provide some encouragement for the Company to follow up auger drilling at a closer spacing.

The material samples returned (being over 15ppb) are shown in Table 1 below:

<b>Sample ID</b>	<b>Easting</b>	<b>Northing</b>	<b>Au ppb</b>
SBA0339	461390	6790420	25
SBA0313	461400	6790740	23
SBA0018	457600	6795520	19
SBA0337	461240	6790420	19
SBA0029	458480	6795520	18
SBA0309	461080	6790740	16
SBA0441	465840	6790720	15

**Table 1: samples over 15ppb Au**

All sample results are shown in Figure 2 below.



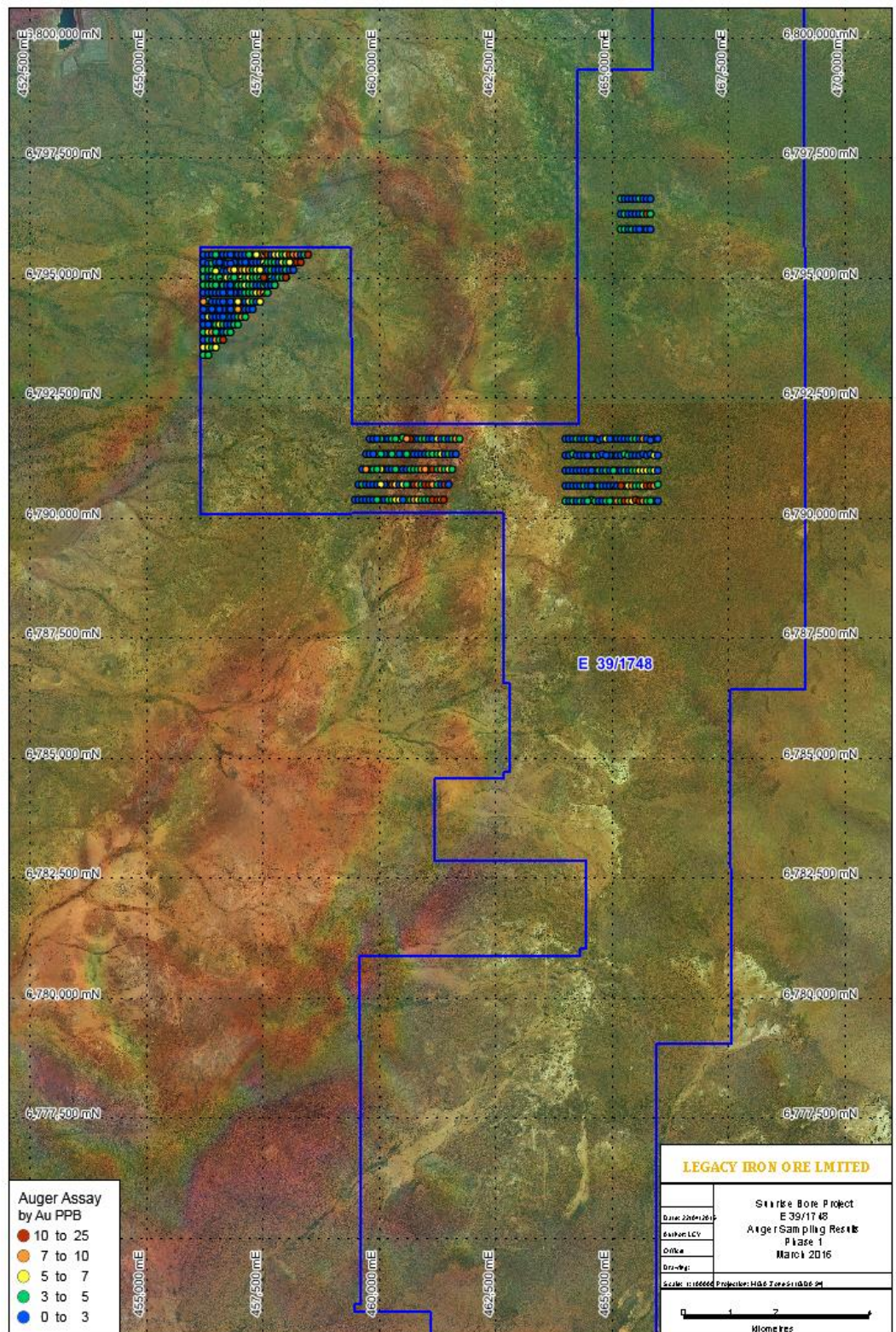


Figure 2: Sunrise Bore Auger drilling – Results

### **Follow up Program**

A second phase of auger drilling will be undertaken to further delineate anomalous areas shown by the initial program as well as cover new targets. This program is planned for May 2016 depending on contractor availability.

Yours faithfully,

Rakesh Gupta  
Chief Executive Officer

#### **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 a consultant to 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.*

## JORC CODE 2012 TABLE 1

## APPENDIX 1

### SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>Four different targets were sampled by auger sampling using a power auger at variable grid spacing to a minimum grid spacing of 80mX320m. A total of 496 auger holes were completed to a maximum depth of 1.8 m each. Where present, pedogenic carbonate was preferentially sampled. If there was no pedogenic carbonate within the hole, a sample was taken at 1.8 m depth.</li> <li>Approximately 200- 300gm of sample was collected in pre numbered packets and then further baggage into polyweave bags to minimize outside contamination.</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>Auger soil sampling was completed using a Land cruiser mounted power auger operated by a kalgoorlie based field exploration support company.</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>No recording of recoveries was undertaken.</li> <li>Standard auger drill bits were utilized for the programme.</li> <li>No relationship has been identified to date</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>The use of auger drilling is as a surface exploration tool and not for any resource estimation purposes.</li> <li>The holes were logged for drilled depth, soil/ regolith types, intensity of carbonates. The logging is qualitative in nature.</li> </ul>



Criteria	JORC Code explanation	Commentary
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li><i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></li> <li><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>No core.</li> <li>A dry bulk sample was collected from each auger drill hole</li> <li>The sample preparation of the auger samples follows industry best industry practice in sample preparation involving oven drying, crushing and pulverizing of the total samples so that a minimum of 90% of pulverized material is less than 75 µm grind size.</li> <li>duplicate sampling was not employed</li> </ul>
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li><i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></li> <li><i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></li> </ul>	<ul style="list-style-type: none"> <li>Assaying by SGS Laboratory, Perth for a using a 25 gm unfiltered aqua regia digest with an advanced Inductively Coupled Plasma mass spectrometry determination for Gold which has 1ppb detection limit.</li> <li>Given the relatively early stage of exploration, only internal laboratory quality control procedures have been adopted.</li> </ul>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li><i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li><i>The use of twinned holes.</i></li> <li><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li><i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>None undertaken</li> <li>None undertaken</li> <li>All sampling, geological logging and assay data has been captured digitally and stored</li> <li>There have been no adjustment or averaging applied to the raw data.</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li><i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> <li><i>Specification of the grid system used.</i></li> <li><i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>Sample positions located by hand held Garmin GPS – accuracy to nominal +/- 5m.</li> <li>Grid system – GDA1994, MGA Zone 51</li> <li>No topographic control was required.</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li><i>Data spacing for reporting of Exploration Results.</i></li> <li><i>Whether the data spacing and distribution is sufficient to establish the degree of geological and</i></li> </ul>	<ul style="list-style-type: none"> <li>Variable data spacing were utilized. Data spacing varied from 80mX160m to 80mX320m.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>The data spacing is appropriate for this stage of exploration and cannot be untied in estimation and classification.</li> <li>No composite sampling has been completed.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>Auger drilling is used to produce a near, subsurface surface only.</li> <li>No orientation based sampling bias in sampling.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>All samples were collected by the auger drilling contractor and stored in a secure location until programme completion when all samples were submitted to the laboratory.</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>Sampling and assay techniques used are considered to be mineral exploration industry standard and audit and reviews are not considered necessarily at this stage of exploration.</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>Sampling was conducted within Exploration Licence E39/1748 which is currently owned 100% by Legacy. At the time of reporting, there are no known impediments to the tenement and it is in good standing.</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Previous exploration within the area of sampling comprise limited surface geochemistry and drilling</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The Project area is located in the southern part of the Merolia Greenstone Belt in the North Eastern Goldfields region of Western Australia.</li> </ul>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: easting and northing of the drill hole collar</li> </ul>	<ul style="list-style-type: none"> <li>The location of auger soil sampling is shown in the included figure within the body of text.</li> <li>All auger holes were completed to a depth between 0.2m to 1.8m</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length.</li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>No information has been excluded.</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable for the sampling method used.</li> <li>Not applicable for the sampling method used.</li> <li>No metal equivalent reported</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable for the sampling method used.</li> <li>Not applicable for the sampling method used.</li> <li>Not applicable for the sampling method used.</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>Refer to Figure included in the text</li> </ul>
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>All results are reported</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and</li> </ul>	<ul style="list-style-type: none"> <li>No other substantive data is currently considered necessary given the stage of exploration and the results received</li> </ul>



Criteria	• JORC Code explanation	• Commentary
	<ul style="list-style-type: none"> <li><i>method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></li> </ul>	
<b>Further work</b>	<ul style="list-style-type: none"> <li><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>Infill sampling and targeting adjacent areas.</li> <li>Future work is under planning.</li> </ul>