

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 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, base metals 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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29 July 2016

The Company Announcements Office
ASX Limited

Via E Lodgement

REPORT FOR THE QUARTER ENDED 30 June 2016

Please find attached the Company's Quarterly Activities Report and Appendix 5B for the quarter ended 30 June 2016.

Yours faithfully

LEGACY IRON ORE LIMITED

Rakesh Gupta
Chief Executive Officer

HIGHLIGHTS

EXPLORATION AND DEVELOPMENT

Mt Bevan Joint Venture Project (Legacy Iron: 60% interest; Hawthorn Resources 40%)

- During Q4 2016, main focus of the activities has been towards identifying and carrying out initial exploration work over the prospective areas for nickel-copper mineralisation in the project.
- A thorough prospectivity assessment was completed for nickel and copper mineralisation in the project. This review led the Joint Venture partners to identify several early stage exploration targets in northern most part of the tenement.
- During the quarter multiple geological traverses were made in the target area (Figure 3) which has shown sufficient evidence to support additional exploration work.

Upon successful ground magnetic survey results, the Joint Venture will follow up with an electromagnetic survey and drilling across the identified priority targets.

- Legacy Iron has also confirmed its intention to progress the magnetite potential in the Project to the next development phase and is in discussions with Hawthorn Resources, regarding the next phases of the project.

South Laverton Gold Projects –

Sunrise Bore project

- The second phase of auger soil geochemical sampling program was undertaken to cover a number of low to moderate priority targets which are associated with gold anomalism noted in first round of sampling (see ASX announcement dated 28 April 2016). In addition to this some new target areas were also sampled which are associated with mapped regional and local scale structures and prospective geological contacts present in the tenement.
- The results of this second phase of survey will be announced in the coming 2 weeks.

Mt Celia Project

- Preparations underway for RC drilling at one of the target area – the Blue Peter gold resource area. The aim is to test the depth extension of the mineralisation. This will help in further increase in the known resource at the project.

Potential Acquisitions

- Legacy Iron continues to review a number of opportunities for acquiring advanced exploration projects as well as small – medium scale operating mines.

CORPORATE

- Focus remained on reducing costs in a challenging commodity environment.

EXPLORATION

Legacy Iron is an active exploration company with a diverse portfolio of assets spanning iron ore, gold and base metals (Figure 1). The primary focus for the Company is its Joint Venture with 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 early stage.

The Company also has significant landholdings in the Eastern Goldfields (Yilgarn) and East Kimberley districts of WA. In the Eastern Goldfields, the company holds tenements with a number of gold resources, whilst the Koongie Park project in the East Kimberley region has excellent potential to host VHMS basemetal – gold mineralisation.

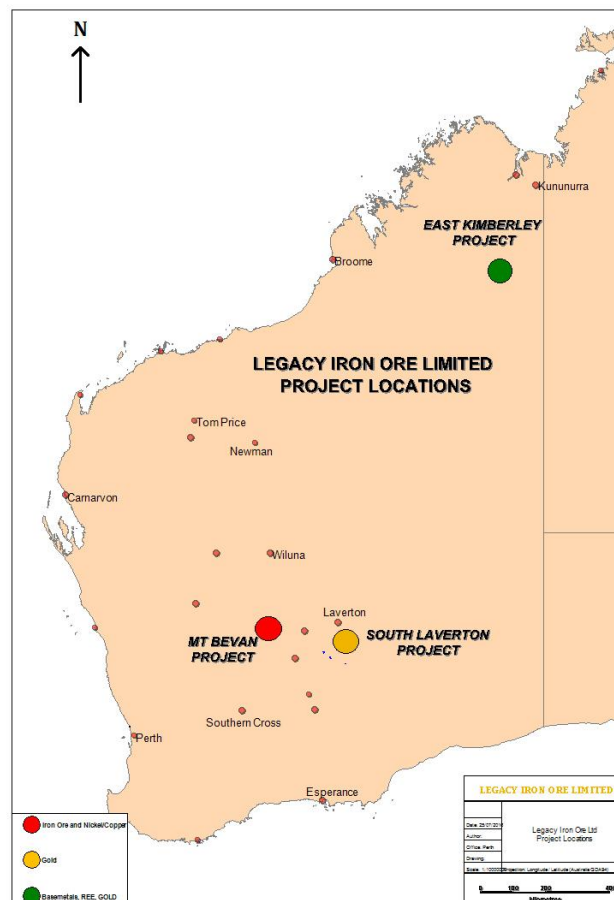


Figure 1: Legacy Iron – Project Locations

IRON ORE and NICKEL-COPPER

Mt Bevan Project

Mt Bevan Project is a joint venture between Legacy Iron (60%) and Hawthorn Resources Limited (Hawthorn – 40%). 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 great 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 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 has confirmed its intention to progress the project and remains in discussion with its 40% JV partner, Hawthorn, regarding the scope, timing and funding of further phases for the project.

The next phase of work is likely to require the completion of further resource definition and development studies required to convert existing mineral resources into JORC reserves, and further define the scope, design and capital cost of the Project and to comprehensively demonstrate the projects viability.

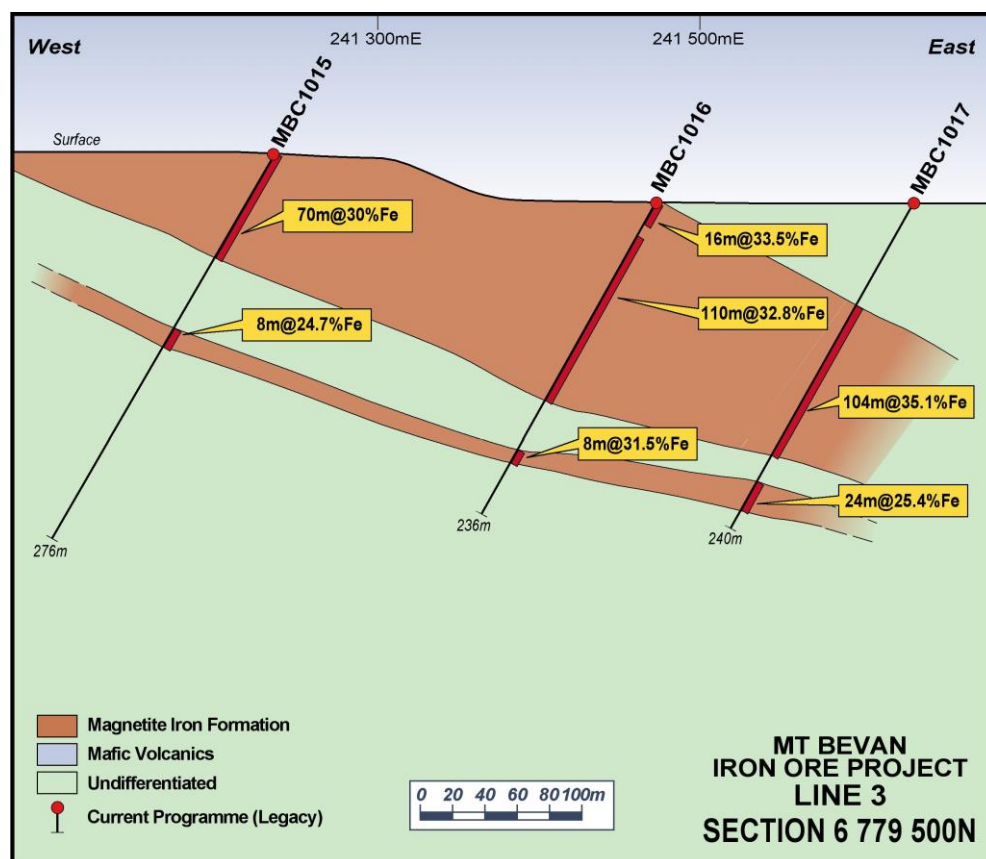


Figure 2: Drilling Cross Section - Lines 3

Mt Bevan Fresh BIF Resource											
Class	Material	Tonnes x 10 ⁶	Fe %	SiO ₂ %	Al ₂ O ₃ %	CaO %	P %	S %	LOI %	MgO %	Mn %
Indicated	<i>In situ</i> Total	322	34.7	46.2	0.57	1.35	0.054	0.131	-1.05	1.91	0.31
	<i>In situ</i> 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	<i>In situ</i> Total	847	35.0	45.6	0.77	2.00	0.063	0.39	-1.15	1.77	0.04
	<i>In situ</i> 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	<i>In situ</i> Total	1,170	34.9	45.8	0.71	1.82	0.060	0.137	-1.12	1.81	0.11
	<i>In situ</i> 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)

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.

Mt Bevan Nickel – Copper:

Following the recent discoveries of nickel and copper mineralisation in the neighbouring tenements, the joint venture completed a thorough prospectivity assessment for the nickel and copper mineralisation in the tenement. As a result, a number of early stage exploration targets were identified. These targets are mainly in northern most part of the tenement which is located approximately 700m south of the Cathedral / Mount Alexander Prospect of St George Mining Limited (ASX: SGQ). At this prospect SGQ have recently reported strong results for nickel-copper mineralisation (ASX announcement from SGQ on 18 Apr 2016).

During the quarter multiple geological traverses were made in the target area (Figure 3) which has shown sufficient evidence to support additional exploration work to accurately interpret the mineralisation targets/geology for further work and drill testing. As a first step towards this, a detailed ground magnetic survey has also been completed over the initial area of interest (northern most part of the project).

The results of this survey are currently being interpreted in the detail and will be announced shortly; however the preliminary review of the data indicates a similar structural and geological setting in some of the identified targets to the Cathedral / Mount Alexander Prospect where new discoveries have been made by SGQ recently.

Upon successful ground magnetic survey results, the Joint Venture will follow up with an electromagnetic survey and drilling across the identified priority targets.

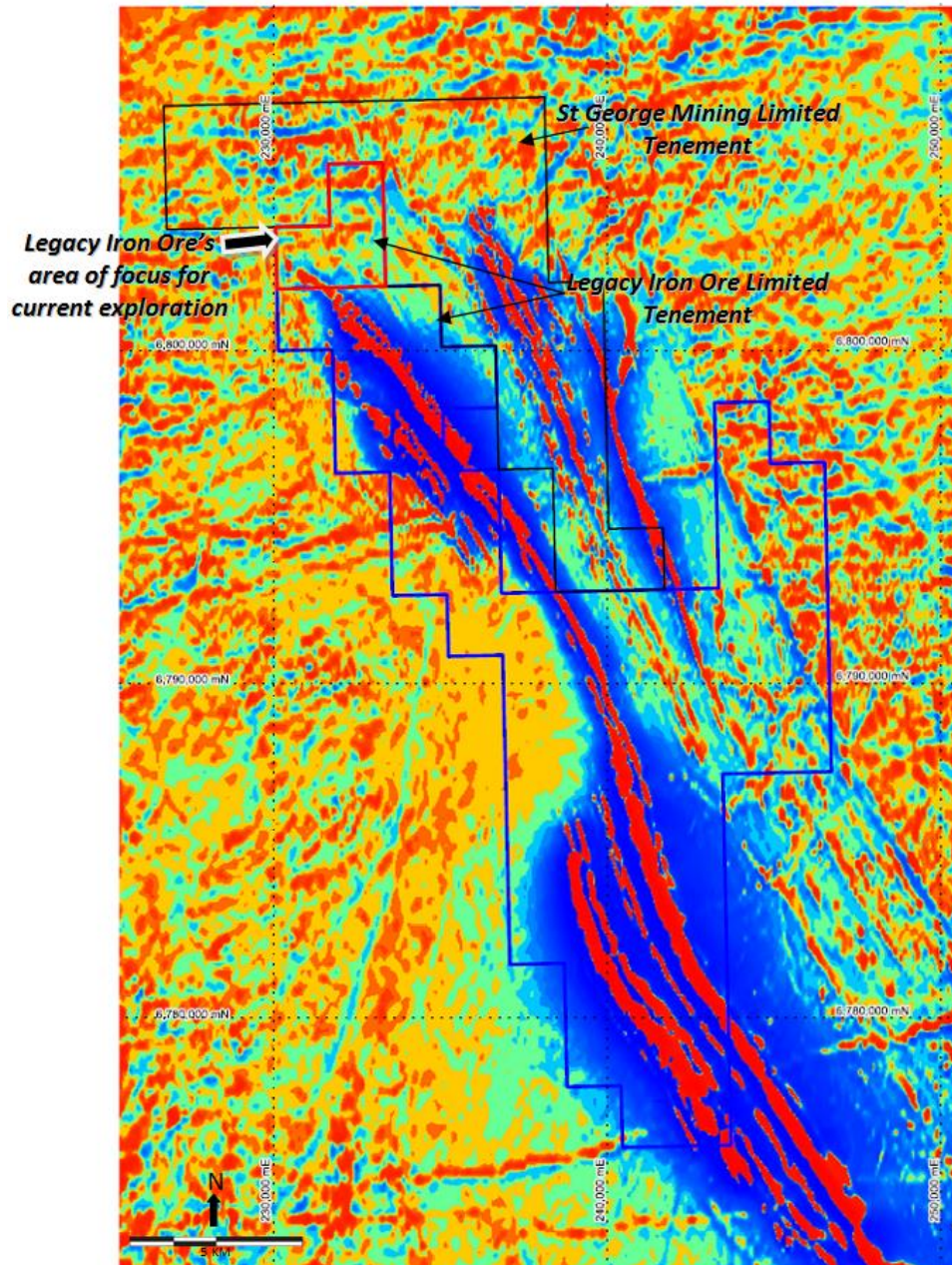


Figure 3: Mt Bevan Project – Aeromagnetic Image showing area of interest for nickel-copper mineralisation

GOLD

South Laverton Gold Project

Sunrise Bore Project

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

The second phase of auger soil geochemical sampling program was undertaken to cover a number of low to moderate priority targets which are associated with gold anomalism noted in first round of sampling (see announcement dated 28 April 2016). In addition to this some new target areas were also sampled which are associated with mapped regional and local scale structures and prospective geological contacts present in the tenement.

This program (second phase of auger sampling) was focused mainly at five different exploration target areas in the tenement. A total of approximately 650 samples have been collected.

Additionally, a number of geological traverses were made across the tenement. A total 13 representative rock chip and 6 stream sediment samples have also been collected to test the prospectivity and geochemical character of the rocks. During the traversing, a number of the prospective target zones have been noted including presence of pyrite/arsenopyrite bearing mafic rocks, quartz veins along shear zones at number of locations.

The results of this second phase of survey is likely to be announced in the next 2 weeks.

Gold anomalous zones outlined by this program will be subject to further infill sampling then RAB/RC drilling.

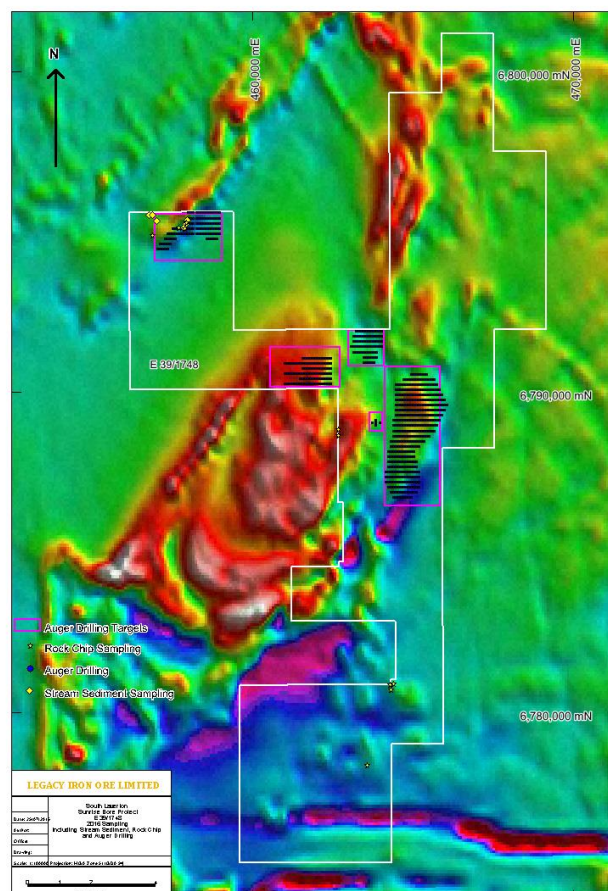


Figure 4: Sunrise Bore Project showing magnetic image with phase II auger sampling locations

Mt Celia Project

Preparations are underway for commencing the RC drilling at one of the target area in the project – the Blue Peter prospect. The aim is to test the depth extension of the mineralisation and potentially upgrade the known resource (see ASX announcement 22 July 2016).

GOLD/BASEMETALS – EAST KIMBERLEY

The East Kimberley Project tenement is located in the Halls Creek area. Halls Creek is located 347km south of Kununurra and is readily accessible via the sealed Great Northern Highway. The project currently comprises exploration licence “Koongie Park - E80/4221” (Figure 5).

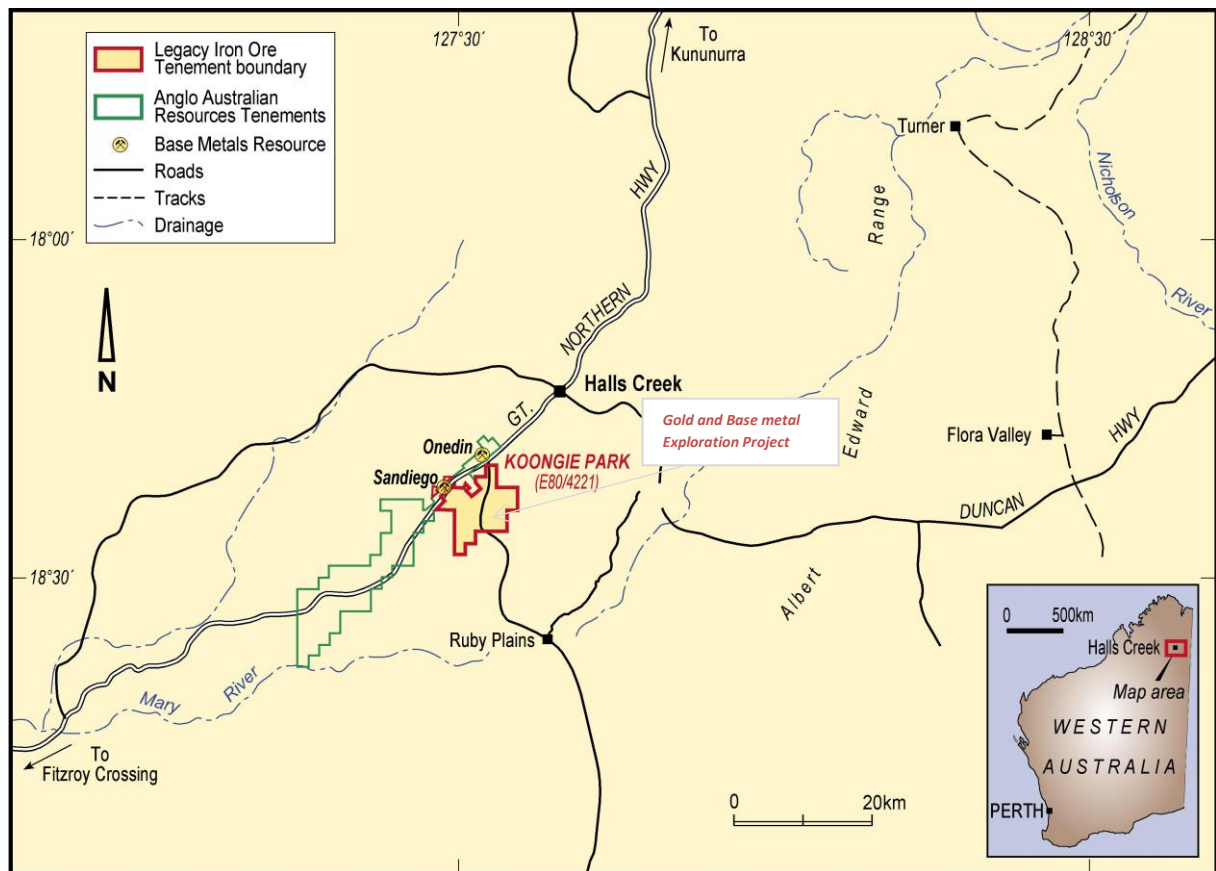


Figure 5: East Kimberley Project

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.

A recent drilling program has shown the presence of a highly prospective exhalative volcanisedimentary sequence that extends over some 10km within our tenement in the form of an arc (probably syncline) now termed the Jillaroo Arc. The drilling to date has only tested a small part of this unit (less than 1 km strike), and at a wide spacing. The Jillaroo Arc sequence and Cazaly/3D Resources Mt Angelo North (MAN) copper resource is shown in Figure 5 below.

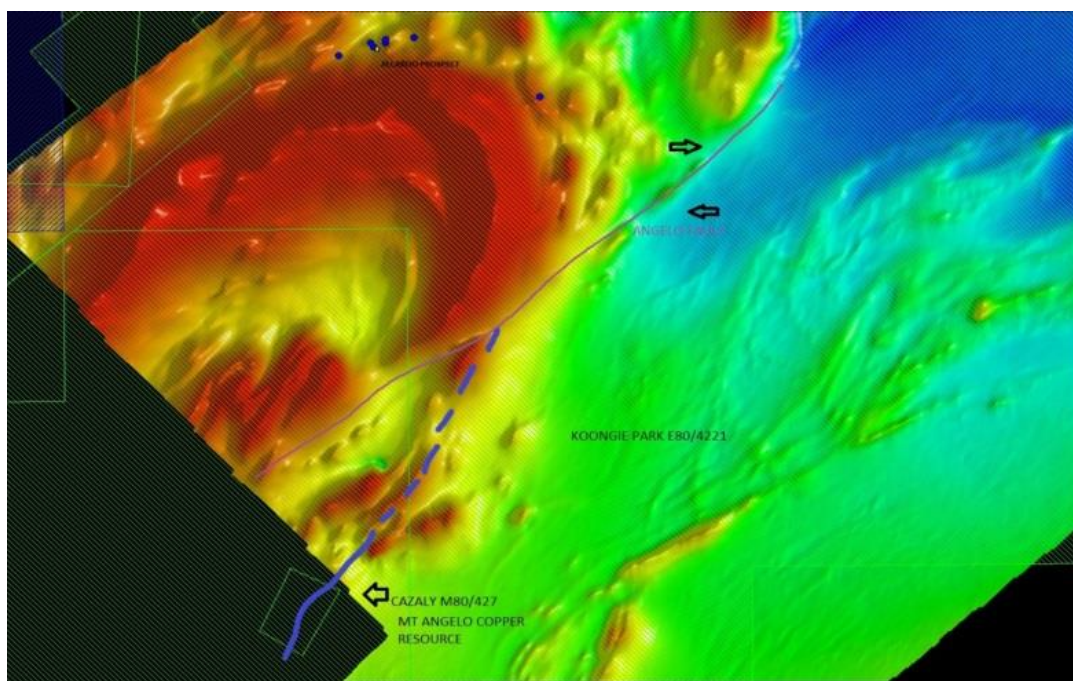


Figure 6: Jillaroo Arc showing drilling and MAN basemetal deposit.

It is planned to conduct a soil geochemical program targeting the Jillaroo Arc in the coming Oct-Nov 2016.

PLANNED ACTIVITIES – SEPTEMBER 2016 QUARTER

Principal activities planned for the September 2016 quarter will comprise:

- Mt Bevan Project:** Complete the ground magnetic data interpretation and target generation for nickel –copper mineralisation and follow up the priority targets by ground electromagnetic survey and drilling testing.
- South Laverton:** Resource drilling at Blue Peter prospect of Mt. Celia gold exploration project.
Data interpretation and the development of a follow-up plan for Sunrise Bore gold exploration project.
- East Kimberley:** Planning for the proposed soil sampling program at Koongie Park project.
- Project Generation:** Continue to review new potential opportunities.
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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.