



17 July 2014

Company Announcements Platform
Australian Securities Exchange

LEGACY IRON ORE RENOUNCEABLE ENTITLEMENT OFFER – NOTIFICATION TO ELIGIBLE SHAREHOLDERS

We are writing to you in relation to your shareholding in Legacy Iron Ore Limited (ASX: LCY) ("Legacy Iron" or the "Company").

PRO RATA RENOUNCEABLE ENTITLEMENT OFFER

On 7 July 2014, Legacy Iron announced a pro-rata 3 for 1 renounceable Entitlement Offer of new Legacy Iron Ore ordinary shares ("New Shares") at an offer price of 1.4 cents per New Share to raise up to approximately \$24.8 million (the "Entitlement Offer"). The Entitlement Offer will result in the issue of up to approximately 1,771,841,091 New Shares, assuming no existing options are exercised prior to 5.00pm WST on 22 July 2014 (the "Record Date"). The Entitlement Offer is not underwritten.

Legacy Iron's major shareholder, National Mineral Development Corporation Limited ("NMDC") (48.8%), has confirmed its commitment to take up its full entitlement under the Entitlement Offer, which will raise a minimum amount of approximately \$12.1 million. NMDC's participation under the Entitlement Offer is subject to approval from the Foreign Investment Review Board ("FIRB"). NMDC lodged an application for approval with FIRB on 1 July 2014.

PROSPECTUS AND OFFER DETAILS

On 15 July 2014, the Company lodged a prospectus which includes details of the Entitlement Offer with the Australian Securities and Investments Commission ("ASIC") and ASX ("Prospectus"). The Prospectus is also available at the Company's website www.legacyiron.com.au. It is recommended you study it carefully and, if you are interested in participating in the Entitlement Offer, seek independent professional advice.

The purpose of the Entitlement Offer is to repay the Company's existing \$3 million Citibank loan facility (resulting in the Company having no external debt) and to fund further exploration and development work across the Company's portfolio of iron ore and other assets.

Eligible Shareholders who are on the Company's Share register at the Record Date are eligible to participate in the Entitlement Offer. An Eligible Shareholder means a shareholder at the Record Date:

- whose registered address is situated in Australia, New Zealand or Singapore; or
- whose registered address is situated in India and who represents and warrants each of the following:



- that the law of that shareholder's place of residence does not prohibit the shareholder from being given the Prospectus and the Entitlement and Acceptance Form;
- that the law of the shareholder's place of residence does not prohibit the shareholder from making an application for New Shares; and
- that the shareholder is eligible to subscribe for part or all of its entitlement to participate in the Entitlement Offer ("Entitlement").

The New Shares are fully paid ordinary shares and will rank equally with the Legacy Iron's existing ordinary shares.

BurnVoir Corporate Finance Limited has been appointed as Lead Manager on the terms set out in the Prospectus.

APPLICATIONS

Eligible Shareholders who wish to take up all or part of their Entitlement must complete the Entitlement and Acceptance Form that will be included in or accompany the Prospectus. Eligible Shareholders who wish to sell or all part of their Entitlement on ASX should liaise with their stockbroker about the requirements for trade and settlement. Entitlements trading on the ASX is scheduled to commence on 18 July 2014 and is scheduled to cease on 11 August 2014.

In calculating Entitlements for the Entitlement Offer, fractional entitlements will be rounded down to the nearest whole number of New Shares.

Eligible Shareholders, other than NMDC, may also apply for Additional New Shares (being New Shares in addition to an Eligible Shareholder's Entitlement). (Please refer to sections 1.9 and 1.14 of the Prospectus). Any New Shares not taken up by Eligible Shareholders will form the shortfall. Other investors identified by the Company can apply for shortfall shares by completing the Shortfall Application Form attached to the Prospectus.

TIMETABLE

Announce renounceable Entitlement Offer and Appendix 3B	7 July 2014
Lodgement of Entitlement Offer Prospectus with ASIC and ASX	15 July 2014
Notice of Entitlement Offer sent to shareholders	17 July 2014
Ex Date for Entitlements Issue	18 July 2014
Entitlements Trading begins	18 July 2014
Record Date for determining shareholder Entitlements	22 July 2014
Entitlement Offer Prospectus despatched to shareholders	25 July 2014



Entitlements Trading ends	11 August 2014
Shares quoted on a deferred settlement basis	12 August 2014
Last day to extend Entitlement Offer Closing Date	13 August 2014
Closing Date of Entitlement Offer	18 August 2014
Notify ASX of Shortfall	21 August 2014
Issue date. Deferred settlement trading ends	25 August 2014

For further information, please contact:

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