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Media release

MT BEVAN MAGNETITE JOINT VENTURE PFS PROGRESS ON BUDGET

Highlights

- Completion of reverse circulation drilling progressing on schedule and on budget .
- Metallurgical test work confirms a Fe % Davis Tube Recovery (DTR) grade consistent with previous test work.

Legacy Iron Ore Limited (ASX: LCY, **Legacy**) and Hawthorn Resources Limited (ASX: HAW, **Hawthorn**) are pleased to provide an update on the progress of the Pre-feasibility Study (**PFS**) work at the Mt Bevan Iron Ore Joint Venture project (**Project**).

The Project is a Joint Venture between Legacy (42%), Hawthorn (28%) and Hancock Magnetite Holdings Pty Ltd (**Hancock**) (30%), a wholly-owned subsidiary of Hancock Prospecting Pty Ltd (**HPPL**).

Hancock has the exclusive right to earn-in a further 21% in the Project by funding the PFS. Hancock appointed its subsidiary Atlas Iron Pty Ltd (**Atlas**) as the manager of the Joint Venture.

Completed Work

As an initial step in the PFS process, the Joint Venture parties conducted a sampling program using reverse circulation (7,224 m) and core (1,570 m) to provide information for metallurgical test work and mineral resource modelling, Figure 1. This work was completed on schedule and on budget. Recent results support the mineral resource previously reported by Legacy, as set out in Table 1 below.



Figure 1. Drilling at Mt Bevan Magnetite Joint Venture, Western Australia

Furthermore, initial results from metallurgical test work of HQ composite core samples have generally confirmed a Fe % DTR grade of approximately 67%, as initially proposed by Legacy and set out in Table 1 below. (See ASX announcement *“Significant Resource Update at Mt Bevan Iron Ore Project”*, 17 December 2013).

Additional test work is planned to assess whether further liberation of magnetite is achieved at a finer grind size. Heritage studies have progressed with the engagement of native title parties. Stage one environmental studies have been completed, including flora and vegetation, fauna, subterranean and soil. Further environmental surveys are planned for May 2023.

Product-logistics options study and port destinations studies that examine multiple routes and various modes of transport are ongoing.

Further work

Following the first phase results, the Joint Venture partners have already commenced the next phase of studies, including:

- Aerial magnetic surveys are planned to commence in April 2023 to identify palaeo-valley drill targets to locate a sizeable long-term water supply. Drilling will commence shortly.
- Engineering services for mineral processing, tailings storage facility design and mineral resource modelling have been awarded. In addition, mine geotechnical work has commenced and tendering for a combined rail and port study is well underway.

Legacy CEO, Rakesh Gupta, commented, *“I am excited and impressed with Atlas’ rapid progress of the PFS. The drilling and metallurgical results indicate the potential for the Mount Bevan project. Completing the PFS will help move the Project closer to development which would bring a social and economic boost to regional Yilgarn province, WA and ultimately Australia.”*

Hawthorn Managing Director & CEO, Brian Thornton, said, *“against a backdrop of severe skill shortages and support services in the sector, the progress made by the Atlas team has been exemplary.”*

The work completed to date highlights the potential for high-grade Mt Bevan magnetite that could be the feedstock of choice for energy-efficient steel-making”.

Rakesh Gupta

CEO

Legacy Iron Ore Limited

Brian Thornton

Managing Director & CEO

Hawthorn Resources Limited

This announcement has been approved for release by the respective Boards.

About HPPL

Built on a long history of pioneering, exploring and investing in Australia, Hancock Prospecting Pty Ltd (**HPPL**) is an independent, privately owned Australian company with a proud history within the Pilbara region of WA and the iron ore sector and is one of the longest-continuous owners of cattle stations in Australia. HPPL's executive chairman, Mrs Gina Rinehart, founded national agriculture and related industries day, November 21, and national mining and associated industries day, November 22, which recognises these critical industries and the many related industries that depend upon them.

The HPPL group of companies is the most successful private group in Australia.

Hancock Magnetite Holdings Pty Ltd is a wholly-owned subsidiary of Hancock Prospecting Pty Ltd.

About Atlas

Atlas is an Australian iron ore company, mining and exporting direct-shipped iron ore from its Mt Webber, Sanjiv Ridge (named after Atlas CEO Sanjiv Manchanda) and Miralga mines in the northern Pilbara region of WA. Atlas has a portfolio of exploration and development projects which now includes two magnetite projects.

About Legacy

Legacy is a vibrant Perth-based Australian exploration company focused on developing iron ore, gold and base metal deposits. With a mission to increase shareholder wealth through capital growth, Legacy has a commitment to discovering viable mineral deposits and developing them into profitable mining operations. Legacy now has the backing of major shareholder NMDC Limited (a Government of India Enterprise). NMDC is India's single largest iron ore producer, presently producing about 35 million tonnes of iron ore from 4 fully mechanised mines.

About Hawthorn

Hawthorn is a listed, diversified gold and base metals explorer with strategic tenement holdings in Western Australia. Hawthorn has a 70% interest in the Anglo-Saxon underground gold project at Pinjin in the South Laverton Tectonic Zone (SLTZ), 140km NE of Kalgoorlie and approximately 70km to the north of Ramelius' Lake Rebecca gold project. The current underground hosts an indicated and inferred MRE of 796,000 tonnes at 6.1 g/t Au for 157,000 ozs (Refer ASX release of 20 October 2020: Mineral Resource Update).

About the Mt Bevan Project

The Mt Bevan Project is a joint venture between Legacy (42%), Hawthorn (28%) and Hancock (30%). Hancock has acquired an initial 30% equity interest in the Mt Bevan Joint Venture by a cash payment of \$8m (\$4.8m to Legacy Iron and \$3.2m to Hawthorn) and a further \$1m into a Joint Venture bank account.

Under the terms of the Joint Venture, Hancock will solely fund the next two years of a PFS. The key objectives of the Mt Bevan PFS were agreed upon during the first Joint Venture committee meeting on 14 April 2022.

Mt Bevan Iron Ore

Mt Bevan is considered to hold excellent potential for the definition of major magnetite resources. The project also has the potential for direct shipping ore (**DSO**) hematite discoveries.

The Mt Bevan project is a large tenement that hosts 1,170 Mt of magnetite resource @ 34.9% Fe (refer Table 1) as well as a potential for the discovery of nickel–copper mineralisation in the northernmost part of the tenement.

Successful exploration and resource definition programs carried out to date have underpinned the potential for large-scale development at Mt Bevan.

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).

The Company first reported these results in the ASX announcement “*Significant Resource Update at Mt Bevan Iron Ore Project*”, dated 17 December 2013. The Company confirms that no additional work has been done on these deposits, which warrants revision of the above estimates at this stage, and the assumptions and parameters used in those estimates have not changed materially.

The Company confirms that all other information reported in the 17 December 2013 announcement remains valid and that the assumptions and parameters used in that announcement have not changed materially.

The tenement covers the northern portions of the Mt Ida Greenstone belt and is near several historic and current gold mines in the Copperfield – Timoni and Bottle Creek area.

Following a tenement-wide aeromagnetic survey, geological mapping and sampling confirmed the presence of three substantial banded iron formation (**BIF**) horizons within the tenement extending in a north-northwest direction for a strike distance of more than 25km.

Drilling has shown the western BIF deposit to have the best and thickest magnetite development and a favourable 40 degrees eastern dip.

Three substantial BIF horizons have been identified within the tenement that extends north-northwest orientation throughout the entire tenement, a strike distance of more than 25km.

Following the discovery of lithium-tantalum pegmatites in the Mt Ida area (by Red Dirt Metals), the Joint Venture is exploring the eastern and northern regions of the Mt Bevan lease, where pegmatite dykes are known to occur. In addition, attention is being directed at the extensive pegmatite development in the northern lease area associated with the Mt Alexander granite intrusion.

Granite and pegmatite have been intersected in the St George mafic dyke complex, diamond drilling of the Ni Cu Cathedrals zone. This area adjoins the Mt Bevan lease. It is covered by sheet wash and drilling will be required to test this area. Scattered surface rubble of pegmatite and vein quartz points to shallowly buried pegmatite.