



KOGI IRON LIMITED (ASX: KFE)

AGBAJA CAST STEEL PROJECT, NIGERIA



Stakeholder Presentation, April 2020



- **Investment Opportunity & Drivers**
- **Community, Government & ESG**
- **Funding, Spend & Growth Milestones**
- **COVID-19: Impact & Implications**



***"Integrated Production of
Iron Ore and Steel for
Import Replacement"***



DISCLAIMER

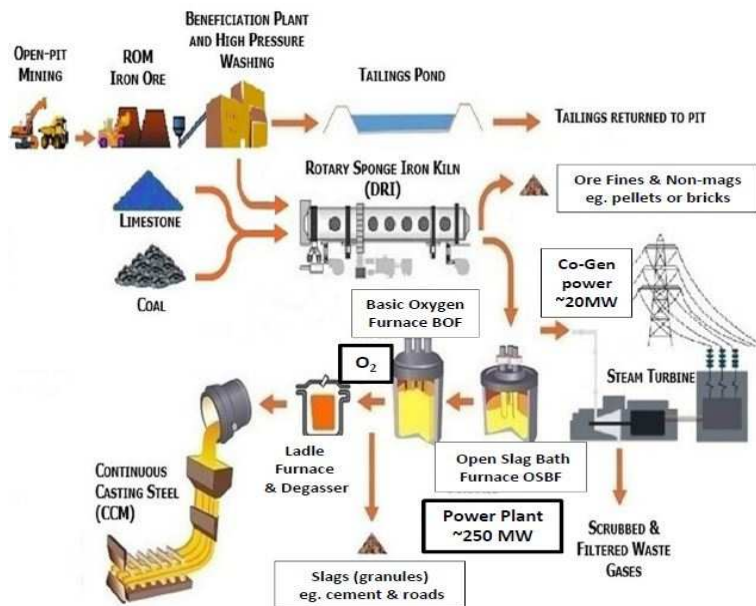


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- Nigeria = Africa's 2nd largest and growing economy with reliance on oil & gas industry
- Industrial development constrained by high cost supply chain
- Imports all steel raw materials (scrap ~3-5Mtpy) to fabricators
=> *Domestic Import Substitution to support industrial growth.*
- **Key Advantages & Commercial Drivers:**
 - **Strong fundamentals** – resource, market, investment regime.
 - **Potential low cost base** with integrated ore, gas & power.
 - **Attractive price** substitution for offtake supports returns.
 - **Unique**, equity growth play with clear 1-3 year value path.
 - **Synergy** investments, linked offtake &/or JV Partners.
- Government stability, legal structure & functioning democracy.



- Community Development Agreement (CDA)
 - Education bursaries, access road repairs, water bore
 - Small-scale trial mining, April 2020 – employment & training
- Government recognition as “Project of National Significance”
- Ministry of Mines and Steel Development (MMSD):
 - International presentations & increased profile
 - Facilitation & support
- World Bank – MMSD MinDiver Project
 - Enhance the mining sector’s contribution to the economy
 - KCM application re Environmental, Social & Governance (ESG)

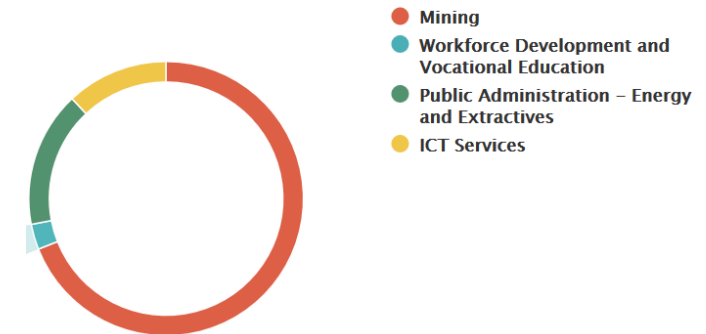




Funding, Spend & Growth Milestones



Nigeria: Mineral Sector Support for Economic Diversification Project (MinDiver) = US\$150M to 2022

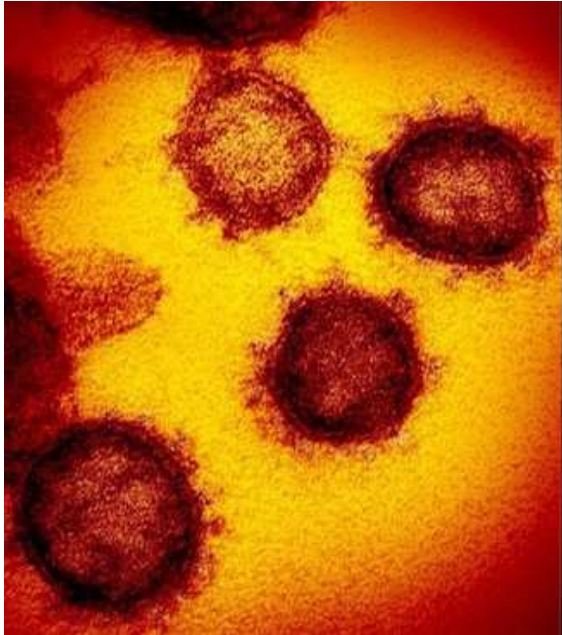


- Raise funds ~US\$8M for Feasibility Study and Working Capital (~18 months) from international cornerstones (EU/UK, N. America, Asia – subject to COVID-19).
- Source World Bank (MinDiver) funding for Community ESG projects and to compliment equity funds from African Development Groups and potential JV partners.
- Progress umbrella debt project financing with Export Credit Agency (ECA).

Estimated Spend to Q3 CY 2021:

	~A\$M	~US\$M
➤ Feasibility Study Consultants	5.5 – 7.0	3.9 – 4.9
Steel Tests & Plant Design (>80%), Power, Environment, Mining, Markets		
➤ Nigerian In-Country costs includes ore reserve drilling & mine plan	1.8 – 2.8	1.3 – 2.0
➤ Australian Office & Board (Admin, BFS Project Manager, M&A/JV)	1.3 – 2.0	0.8 – 1.4
➤ CDA Fees, Environmental Bonds & Statutory Admin.	0.4 – 0.7	0.3 – 0.5
➤ Capital Raising pre-project equity, Bank hybrid financing +/- ECA	1.0 – 1.5	0.7 – 1.1
Total	~A\$10-14M	~US\$7-11

Feasibility Study (FS) determines process flow (conventional), project economics, financing options & structure (% debt : equity) and development schedule (~3 years)



- The Company acted early and strongly to reinforce its operating guidelines to mitigate risks to staff, contractors and community:
 - Adhering to Government advice and directives.
 - Restricted travel (local, domestic and international).
 - Social distancing at meetings and general activities.
 - Diligent and increased personal hygiene.
 - Self-isolation on showing any illness symptoms.
 - Electronic communication wherever possible.

Impacts on operations in Nigeria include closure of Government offices and the Mines Department in Abuja and travel being limited to Kogi State.



- Due to market volatility, the Company has taken prudent fiscal measures to ensure security of our assets and preserve our cash balance:
 - Deferred current fundraising for Feasibility Study.
 - Stopped all non-discretionary expenditure.
 - Reduced or deferred fees for Directors, contractors, and consultants.
 - Moving administration, secretarial functions and registered office to Adelaide from 1st May 2020.



AGBAJA CAST STEEL PROJECT, NIGERIA

"Unique Opportunity based on Sound Fundamentals"



Agbaja Plateau Iron Ore Deposit

- Large tonnage & significant upside
- Flat lying, near surface, low cost mining
- Professional evaluation = drilled, tested
- JORC 2012 Classified = technical security
- Only JORC iron ore deposit in Nigeria

Classification	Tonnes (Mt)	Fe (%)
Zone A (Laterite Mineralisation)		
Indicated	147.5	33.2
Inferred	33.9	31.7
Total Indicated + Inferred (Zone A)	181.4	32.9
Zone B (Oolitic Mineralisation)		
Indicated	318.7	45.2
Inferred	86.3	44.7
Total Indicated + Inferred (Zone B)	405.0	45.1
Combined Zone A and Zone B		
Total Indicated	466.2	41.4
Total Inferred	120.1	41.1
Total Indicated + Inferred	586.3	41.3



The Company confirms that it is not aware of any information or data that materially affects the information included in the original market announcements and, in the case of estimated Mineral Resources, which all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

**Table 1 – Summary Grade & Tonnage for Laterite (Zone A) and Oolitic (Zone B) Horizons (20% Fe lower cut off is applied)
Refer ASX announcement 10 December 2013.**

The Company holds a land position which covers a large part of the Agbaja Plateau. The Agbaja Plateau hosts an extensive, shallow, flat-lying channel iron deposit with an Indicated and Inferred Mineral Resource of 586 million tonnes with an in-situ iron grade of 41.3% reported in accordance with the JORC Code (2012). This mineral resource covers approximately 20% of the prospective plateau area within ML24606 and ML24607.