

The Boards of Kogi Iron Limited (ASX: KFE, 'Kogi' or 'the Company') and KCM Mining Limited (KCM) convey New Year's Best Wishes to all stakeholders, shareholders, interested parties and potential new investors.

It has been a tough time of late in Australia with widespread, severe bush fires resulting in loss of life and significant damage to assets and livelihoods. Our thoughts and support are with all affected families and regional communities.

The AGBAJA CAST STEEL PROJECT

"A Project of National Significance"

The Company has been busy over the Australian holiday period and is pleased to provide this update on latest activities on our advanced Agbaja Cast Steel Project in Nigeria, west Africa.

Agbaja Plateau Community Development Plan

The KCM Mining team has been coordinating and implementing activities on our Community Development Agreement (CDA).

Importantly, we were visited by relevant Government officials to check and report on our progress on CDA activities and our relationships with local communities. The KCM team received positive feedback and members should be proud of their achievements.

1. Education:

Government officials, Community Leaders and KCM Mining team members presented bursaries to local community students in an "education empowerment" event.



KCM's Alabi Samuel & Sunday Awoyemi (foreground)



2. Access Road Maintenance:

Site inspections were made of "palliative" repairs on bridges and drainage culverts on the main access road to the Agbaja Plateau.



3. Irimi - Okpaka Water Bore:

A local contractor completed drilling the water bore with ongoing site works including pump drawdown tests, water quality tests, piping, and header tank installation (photo below).



KFE Capital Summary

Ordinary Shares: 774,061,174
Listed Options: 142,328,948
Performance Rights: 26m
Share price: \$0.06
Market capitalisation: \$46m

Board of Directors

Mr Greg Boulton AM – *Non-Executive Chairman*
Mr David Turvey – *Managing Director*
Mr Don Carroll – *Non-Executive Director*
Mr Peter Huljich – *Non-Executive Director*

Contact

Unit 23, 4 Ventnor Avenue,
West Perth WA 6005
Tel : +61 8 9200 3456
Email: info@kogiiron.com
W: www.kogiiron.com

Members of the Agbaja Plateau Communities have observed, participated and been employed in the community development activities and remain very supportive of the Company's efforts.

Additional Community programs are planned in 2020 under our Community Development Agreement, with an ongoing commitment to education, health & safety, infrastructure and environment.

NEW MINING LEASE GRANTED

KCM Mining was granted a fourth mining lease (ML) by the Mining Cadastre Office, Federal Republic of Nigeria. This delivers the Company a contiguous tenement package of ~145 square kilometres on the Agbaja Plateau, Kogi State.

Key Benefits and Outcomes of this ML Approval:

- Shows effective administration by various State and Federal Government offices to support the Company in conversion and security of its mining tenure.
- Evidence of satisfactory performance by the Company on its Community Development Plan and Environmental Program – a pre-requisite for conversion and maintenance of exploration and mining tenure.
- A milestone achievement for the remote Irimi - Okpaka Community area.

Managing Director of Kogi Iron Limited, David Turvey commented:

"The Company has achieved another milestone as we move forward to becoming an integrated steel producer in Nigeria. I am especially pleased with the effectiveness of administration by our local KCM Mining team."

Bankable Feasibility Study (BFS)

Defined scopes of work, costs and schedules have been progressed with several international accredited consultant groups. Implementation of all study proposals (detailed below) is pending, subject to sufficient funding.

- Steel Process Optimisation Tests and Plant Design Engineering Study.
- Infrastructure & Power Options Study.
- Iron Ore Reserve, Mine Plan & Ore Processing.

Completion of baseline environmental studies for the proposed steel plant site are awaiting background information on process waste management. This will be sourced as part of the scope of work for steel tests & plant design, i.e. study parameters and assumptions.

This baseline environmental study is a key component to approvals for the license for steel production on the current Mining License under the Minister of Mines and Steel Development, i.e. not a separate licence for steel production by different Ministries' or government departments.

Fundraising & Share Issue (in lieu of fees)

Board members met with potential new investors in Australian capital cities to explain recent fundraising initiatives and promote the merits of the Share Purchase Plan (SPP).

More than A\$3.2M in total funding commitments were secured in the November - December 2019 period. The SPP contributed A\$860,000 in new equity from current shareholders – equivalent to a 43% uptake and a sound endorsement for recent progress and corporate activities.

The Company was pleased to announce (23 December) that by issuing shares, it has settled overdue fees owed to Dr Ian Burston, former Chairman, and Mr Don Carroll, Non-Executive Director. The Board of Kogi Iron is greatly encouraged by Dr Burston's and Mr Carroll's willingness to take shares as settlement and the strong message this sends to all shareholders as their sign of confidence in the Agbaja Cast Steel Project.

Following our recent fundraising, the Company is proceeding with raising A\$10-14 million (up to US\$10M) for the Feasibility Studies, corporate activities as well as working capital to take the project to financial close.

During December and early January (alongside festive holiday celebrations with family), the Managing Director has conducted introductory calls with identified "high net worth investors and specialist resource funds" and has completed plans for a fundraising roadshow in Europe, London and North America.

Planned Future Activities & Recent Steel News

Ongoing recognition by the Nigerian Government of the Agbaja Cast Steel Project as a "Project of National Significance" has significantly lifted the Company's profile and become a driver of increased corporate activity.

Based on this recognition, several opportunities for tangible support of our Feasibility Study are being progressed with various parties including:

- Nigeria Mining Event, London 21st January – Kogi's MD is presenting a Project update and participating in panel discussions on investment.
- Side meetings with Nigerian Government Ministers and officials involved in UK-Africa Investment Summit,

20th January – organised by the UK Government involving Boris Johnson and attended by Nigeria's President Buhari.

- Meeting/s with the management team of World Bank's MinDiver Project and the Ministry of Mines and Steel, Nigeria, on mining related funding of social, environmental, infrastructure and capacity building initiatives.
- Attending and presenting at 121 Investment Conference, Cape Town 3-4th February 2020.
- Side meetings at Indaba conference 3-5th February, especially Government, Development Banks and Nigerian-based companies.
- Meetings with Tenova and SGS Bateman in Johannesburg to progress and finalise their proposed scope of work for steel optimisation tests and plant design engineering.

“Stop Press”

Recent steel and related industry news and media articles from Nigeria include:

- a) Recapitalisation of the Ajaokuta Steel Facility (located ~50 km from Kogi Iron's Agbaja project) with debt financing under MoU between Nigerian and Russian Governments.
- b) Gas pipeline development ~600km from Ajaokuta to Kaduna.
- c) African Industries Group announced Stage 1 development of integrated steel production in Kaduna to support its existing steel fabrication plants, i.e. replacement of high-cost imported raw materials.

Based on the Company's relationship with Government and information from our Advisors, we are well aware of these proposed steel developments and take a quite positive view on potential synergy with the Agbaja Cast Steel Project.

This heightened activity reflects the Government's push to develop its industrial base in building their economy and, importantly, the improved climate for foreign investment.

All stakeholders should recognise that the Company is well placed with its asset base to participate fruitfully and fully in ongoing development and corporate activities in Nigeria's steel industry.

A management visit to Nigeria is planned for early-mid March 2020 to progress Government and business relationships, including a site visit and Community meetings.

What you may not know about “our newly appointed Non-Executive Director”, Mr Peter Huljich



Are you a Robot? - Spot the “big, purple people mover”

1. Is the youngest member of the Board at a mere 49 years of age
2. He is also a Director of AVZ Minerals (ASX: AVZ) (Lithium Exploration in the Democratic Republic of Congo).
3. Spent 7 years in Sub-Saharan Africa working on Development initiatives for the Aga Khan Fund for Economic Development and 13 years as an investment banker in London and New York
4. Has lived and worked on Five Continents but his favourite is still Australia.
5. Is a Foundation member and massive supporter of the Fremantle Dockers (and drives a Purple and white Landcruiser with the license plates FREO 1)
6. Has an 8-year old daughter who he dotes on ☺
7. Loves the beach, boating and fishing (though is not so good at the catching part)

Chairman of Kogi Iron Limited, Greg Boulton commented:

“Momentum for the Company is building based on clear communications of its Agbaja Cast Steel Project, our recent capital raisings, corporate activities and project recognition by the Nigerian Government.

Particularly pleasing was the level of support and uptake by our shareholders for the Share Purchase Plan contributing to solid gains in our share price. Ongoing shareholder support is essential while we obtain funding at fair value from new “cornerstone shareholders” to complete our Feasibility Studies.

We look forward to updating all stakeholders with details of progress during this exciting time for the Company”.

For more information, please contact:

Kogi Iron Limited
 Tel (office): +61 8 9200 3456
 Email: info@kogiiron.com