

AGBAJA CAST STEEL PROJECT

“A Project of National Significance”

The Boards of Kogi Iron Limited (ASX: KFE, ‘Kogi’ or ‘the Company’) and KCM Mining Limited are pleased to update shareholders on activities on the Agbaja Cast Steel Project during November 2019.

Agbaja Plateau Community Development Plan

Work on the Community Development Plan included:

1. *Irimi - Okpaka Water Bore:*

Geophysics survey defined subsurface stratigraphy and identified the well location. A local drilling contractor was selected and mobilised for site works. The water well and tank are aimed to alleviate the daily chore of fetching water ~5km for local women and children.



Meeting of the Irimi – Okpaka Community upon start of site works.



“Supervision in the Shade” by interested members of the Irimi – Okpaka Community



Construction of tower for the water header tank (Note: the well is being drilled ~5 metres away from tower & tank to enable maintenance)



Local water drilling rig in transit to the Irimi - Okpaka Community, NE Agbaja Plateau.

2. *KCM’s Iron Ore Sample Shed:*

Local community labour was contracted to repair the sample shed with re-bagging & re-labelling to preserve our “precious” iron ore samples and ensure JORC compliance.

KFE Capital Summary
 Ordinary Shares: 732,778,327
 Listed Options: 142,328,948
 Share price: \$0.041
 Market capitalisation: \$30m

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*

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Before = KCM's sample shed in need of attention.



After = re-bagging & re-labelling of KCM's iron ore drill samples.

3. Access Road Maintenance:

Near-term “palliative” repairs on bridges and drainage culverts was completed using local contractors to ensure access of regular vehicles to the plateau.



Members of the Agbaja Plateau Communities have been involved at all stages and remain very supportive of development activities by the Company. Additional Community programs are planned in 2020 under our Community Development Agreement.

Follow-Up to Nigeria Mining Week, Oct.'19

Public recognition by the Nigerian Government of the Agbaja Cast Steel Project as a “Project of National Significance” has significantly increased the Company's profile.

Based on this recognition, opportunities for support of the Bankable Feasibility Study are being progressed with several International and domestic Nigerian organisations, especially related to social infrastructure and capacity building.

Bankable Feasibility Study (BFS)

Defined scopes of work, costs and schedules are in discussion or have been progressed with several technical consulting groups – all study proposals are pending sufficient funding.

- Steel Process Optimisation Tests and Plant Design Engineering Study - Tenova / SGS Bateman, South Africa.
- Power, Infrastructure and Logistics Options Study – domestic consultants and International advisory groups.
- Iron Ore Reserve, Mine Plan & Ore Processing – International accredited consultants.

Baseline environmental studies of the proposed steel plant site are near completion awaiting additional information on process waste management e.g. off gases & heat, granulated clinker for cement and road aggregates.

2019 AGM Questions and Answers

Q1. Regarding the relationship between Kogi Iron and the Government in Nigeria, is there a risk, and to what level, of the Government asking the Company to speed up or making the Company move on?

The Agbaja Project is important to Nigeria and this is unlikely. Foreign investment policy must be based on law and we need to work with the Government to ensure the success of the project. The Nigerian government has been publicly supporting Kogi, and given Kogi's understanding of the project, they believe Kogi is best placed to evaluate and progress this project towards production. Feedback from Nigeria on the recent visit of Managing Director, David Turvey, and Non-Executive Director, Greg Boulton, has been very positive.

Q2. Is there any precedent to expropriation in Nigeria?

To the best of our knowledge, there have been no assets expropriated from foreign investors.

Q3. The ECA funding process has been a long burn. What have the ECA consultants in UK achieved over the years that they have been receiving fees?

The consultants have assessed a variety of Export Credit Agency (ECA) project debt funding opportunities globally and have identified a particular ECA suitable for Kogi Iron. Due to the reduction in their workload in recent times, we have negotiated a reduced fee for SD Capital and GKB, and they have agreed to take these fees in the form of shares. It can take 3-5 years to secure suitable ECA debt funding for an African project. Fortunately, with the work done by our consultants, we are already 2 years into this process. The next critical step is to complete the BFS, and following this, we expect to receive a term sheet from an ECA.

Q4. What is happening with Patersons?

Kogi Iron is not using Patersons at present following the completion of their mandate on 31 October 2019.

Fundraising and Planned Future Activities

Following our recent fundraising and current Share Purchase Plan (SPP), the Company is proceeding with raising a total of ~A\$10 million for the BFS as well as Working Capital to take the project to financial close.

Board members are meeting with potential new investors in Australian capital cities to explain fundraising initiatives and promote the SPP's merits.

In addition, the Managing Director is planning a fundraising roadshow to identified "high net worth investors and specialist resource funds" in Europe & London during January 2020. A subsequent visit to Nigeria is likely in late March - early April 2020 to progress Government and business relationships, including a site visit and Community meetings.

What you may not know about "our newly appointed Chair" = Mr Greg Boulton



1. He is also Chairman of Super SA (\$28B super fund for SA Public servants)
2. Chair of Southern Gold Limited (ASX: SAU) Gold mining and exploration in South Korea)
3. Was President of Port Adelaide Football Club when they won 2004 Premiership and 16 years as President
4. Married to Cheryl, 2 daughters and grandson 12.
5. Bicycle rides nearly every day to favourite coffee shop in Glenelg. (No Lycra)
6. Awarded Order of Australia Medal (AM) for service to Business and Australian Rules Football
7. Enjoys South Australian Shiraz

Chairman of Kogi Iron Limited – Greg Boulton commented:

"The Company is moving forward with new momentum and clear purpose on its Agbaja Cast Steel Project that will benefit the local community, the country of Nigeria, and shareholders.

Shareholder interest and support is essential while we obtain funding from new "cornerstone shareholders" and conduct the BFS.

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

For more information, please contact:

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