

SHAREHOLDER UPDATE

Australian based iron ore and steel development company, Kogi Iron Limited (ASX: KFE) (Kogi, Kogi Iron, or the Company) and its 100% owned Nigerian operating company, KCM Mining Limited (KCM) is pleased to provide the following update.

Kogi secures up to \$10.3M in funding to advance the Agbaja Iron and Steel Project

Since the 2020 AGM and in accordance with the announced priorities, the Company has defined a phased roll out of strategies designed to unlock and exploit the unrecognised value of the Company's assets.

The Company has made a number of announcements in recent months, outlining key priorities for 2021, including the raising of capital to facilitate the advancement of the feasibility studies program for the Company's 100% owned Agbaja Iron and Steel Project. Earlier today, the Company was pleased to announce the details of a capital plan to raise up to \$10.3 million before costs, by way of an institutional share placement to raise up to \$6.5 million, and a non-renounceable rights issue for existing shareholders to raise up to \$3.8 million.

These funding arrangements, as detailed in the announcement earlier today, provide the Company with the following benefits:

- A flexible pathway to fully fund planned activities, with tranche 2 of the Institutional Placement being at the discretion of the Company and tranche 3 being the subject of the Company's consent;
- The ability to allow existing shareholders to increase their participation; and
- The successful closing-out of the existing equity swap and financing facility, with Sorbie Bornholm LP, resulting in a final payment to Kogi of \$65,000.

Operational update

On the operational front, a number of new and revised work programs and initiatives are scheduled to commence and continue over the coming months, including:

- Confirmation and validation of the Company's proprietary processes and intellectual property associated with the processing of iron ore.
- Continuing investigations of the most effective methods of exploiting the Agbaja iron ore deposit and maximising shareholder value from this process. While there is a limitation on the exportation of unbeneficiated ore, as advised in the ASX announcement of 31 March 2021, the Company will continue to assess all options, including the viability of beneficiating ore for either the domestic or in overseas markets.
- Evaluation of the Company's resource base and exploration potential. Amongst other things, this work is likely to evaluate and better document the 99 RC holes that have previously been drilled outside the area presently covered by the published JORC report.
- Ongoing communication regarding progress of the stated priorities and ensuring the merits of the Company's assets and value proposition are clearly articulated.

- The commencement of a number of discussions with potential strategic partners as we recognise that we would benefit from both the financial and technical input from a strategic partner.

Kogi Chairman, Craig Hart, commented:

“We have been mindful of striking the right balance between financing the expedition of the feasibility study program and also providing an opportunity for shareholder participation in our capital raising.

In November last year, the Company raised \$1.4M to support its effective and efficient operation, to secure our tenements and for the commencement of the feasibility assessment program.

The institutional placement announced earlier today provides the Company with access to funding which totals \$2 million on day one and, if drawn in full, totals \$6.5 million. The rights issue has the potential to raise additional capital to explore alternate options for unlocking shareholder value or, at a minimum, the funding to expedite the core strategic path at the earliest opportunity.

I am pleased that we have reached this stage and I will be seeking the shareholders’ endorsement and approval for this pathway at the extraordinary meeting of shareholders which is expected to occur on or around 11 June 2021.

You will be receiving more information regarding the rights issue and in relation to the convening of an extraordinary general meeting to consider matters requiring approval.”

Authorised for release by the Board

For further information, please contact:

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About Kogi Iron (ASX: KFE)

Kogi Iron Limited is a company with the objective of becoming a producer of cast steel billet product that can be sold to fabricators of finished steel products through the development of its 100% owned Agbaja Iron and Steel project located in Kogi State, Republic of Nigeria, West Africa (“Agbaja” or “Agbaja Project”).

Nigeria has substantial domestic demand for steel products, which is currently met largely through imports of scrap steel raw materials. The Agbaja project, located on the Agbaja plateau approximately 15km northwest of Lokoja city in Kogi State and 200km southwest of Abuja, the capital city of Nigeria, opens the opportunity for domestic production of steel.

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) – Refer ASX announcement 10 December 2013. This mineral resource covers approximately 20% of the prospective plateau area within ML24606 and ML24607.