

29 April 2021

Dear Kogi Iron Limited Option holder

**RE: Non-renounceable Rights Issue**

We advise that on 26 April 2021, Kogi Iron Limited (“**Kogi Iron**” or the “**Company**”) announced a one (1) for four (4) non-renounceable rights issue to raise up to approximately A\$3.8 million (before expenses) (“**Rights Issue**”).

As at the date of this letter, you hold options to subscribe for shares in the issued capital of Kogi Iron (**Options**). The purpose of this letter is to give you notice of the Rights Issue and to allow you time to exercise your Options and be registered (with a registered address in Australia or New Zealand) as the holder of those underlying Kogi Iron shares (**Shares**) before 5.00pm AEST on Friday, 7 May 2021 (**Record Date**), should you wish to be entitled to participate in the Rights Issue in respect of your Options.

Option holders are not able to participate in the Rights Issue in respect of their Options without first exercising some or all of those Options prior to the Record Date.

If you do not wish to participate in the Rights Issue (in respect of your Options) then you do not need to take any action. However if you do wish to participate in the Rights Issue in respect of your Options please note the timetable and details below.

It should be noted that if, in addition to your Options, you also currently hold Shares, you will be able to participate in the Rights Issue but only in respect of those Shares that you hold as at the Record Date, and provided your registered address is in Australia or New Zealand.

Full details of the Rights Issue is provided in the the Offer Memorandum lodged with the ASX on 30 April 2021 and the Appendix 3B lodged with ASX on 26 April 2021. You are encouraged to consult with your stockbroker or other professional adviser and to read the Offer Memorandum fully before exercising any of your Options.

**Key Terms of the Rights Issue**

- The price payable for each new Share is \$0.018 (1.8 cents).
- The Rights Issue is non-renounceable.
- The Rights Issue will raise up to approximately \$3.8 million (before expenses).
- The proceeds from the Rights Issue will be primarily directed to activities associated with progressing the feasibility study for the development of the Company’s Agbaja Cast Steel project, and the provision of the Company’s general working capital requirements.

## Eligibility to participate

To be eligible to participate in the Rights Issue in respect of your Options, you must validly exercise your Options and be registered (with a registered address in Australia or New Zealand) as the holder of the underlying Shares before the Record Date, being 5.00pm AEST on Friday, 7 May 2021. To validly exercise some or all of your Options you will need to:

- provide notice in writing to Kogi Iron in accordance with the terms and conditions of the issue of your Options; and
- pay to Kogi Iron the exercise price for each Option exercised in cleared funds.

To accept the offer under the Rights Issue in respect of the underlying Shares, you will then need to complete the application form accompanying the Offer Memorandum and make payment in accordance with the instructions set out in the Offer Memorandum. The Company expects to post the Offer Memorandum to shareholders on Wednesday, 12 May 2021.

If you do not exercise your Options, then after the closing date of the Rights Issue an adjustment may be made to the exercise price of your Options in accordance with the formula set out in the terms and conditions of your Options.

The anticipated timetable for the Rights Issue (subject to amendment) is as follows:

EVENT	DATE
<b>Announcement of the Non-Renounceable Rights Issue</b> – Lodge with ASX 1) Announcement of Rights Issue, and 2) Appendix 3B	Monday, 26 April 2021
<b>Offer Memorandum lodged with the ASX together with a notice under section 708AA(2)(f) of the Corporations Act</b> (lodged after market opening)	Friday, 30 April 2021
<b>Notice to Shareholders</b> – Notice of Rights Issue sent to shareholders	Wednesday, 5 May 2021
<b>Ex date</b> – the date on which Shares commence trading without the entitlement to participate in the Rights Issue	Thursday, 6 May 2021
<b>Record date</b> – the date for determining entitlements of Shareholders to participate in the Rights Issue (5.00pm AEST)	Friday, 7 May 2021
<b>Offer memorandum sent to Shareholders</b> – dispatch of Offer Memorandum and Entitlement and Acceptance Forms – Rights Issue opens for acceptances	Wednesday, 12 May 2021
<b>Last day to extend</b> – the last day to extend the Closing date	Wednesday, 16 June 2021
<b>Closing date</b> – the last day for receipt of acceptance forms (5.00pm AEST)	Tuesday, 22 June 2021
<b>Deferred Settlement Trading commences</b> – New Shares commence quotation on the ASX on deferred settlement basis	Wednesday, 23 June 2021

<b>Announcement of Results</b> – announcement of results of the Rights Issue	Friday, 25 June 2021
<b>Issue date</b> – Allotment of New Shares. Deferred settlement trading ends	No later than noon
	Tuesday, 29 June 2021
<b>Expected commencement of normal trading</b> in New Shares on ASX	Wednesday, 30 June 2021
<b>Dispatch of holding statements</b> to Shareholders who participated in the Rights Issue	Friday, 2 July 2021

Kogi Iron reserves the right to amend this timetable subject to the ASX Listing Rules.

If you have any queries in relation to the exercise of your Options and the Rights Issue, you should contact your stockbroker or other professional adviser.

Yours sincerely



**Craig Hart**

Chairman