
KOGI IRON LIMITED

ACN 001 894 033

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 11am Australian Western Standard Time (AWST)

DATE: 11 June 2021

PLACE: The Celtic Club, 48 Ord Street, West Perth, Perth, WA 6005

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 11am AWST on 9 June 2021.

In light of the uncertainty and potential health risks created by the COVID-19 pandemic, the Company encourages Shareholders to take into account any Government restrictions in place at the date of the Meeting and to consider the implications of attending the General Meeting in person.



BUSINESS OF THE MEETING

AGENDA

RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF SHARES – LISTING RULE 7.1

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 71,250,000 Shares on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF ADVISOR OPTIONS – LISTING RULE 7.1

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 5,000,000 Options on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

RESOLUTION 3 – APPROVAL OF FIRST PLACEMENT SUBSCRIPTION RIGHT – LISTING RULE 7.1

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company's grant of the right to issue Shares with the value of \$2,140,000 in relation to the First Placement, on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

RESOLUTION 4 – APPROVAL TO ISSUE COMMENCEMENT FEE SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to that number of Shares with the value of \$159,900 to the Subscriber on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

RESOLUTION 5 – APPROVAL TO ISSUE SUBSCRIBER OPTIONS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 14,800,000 Options to the Subscriber on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

RESOLUTION 6 – APPROVAL TO ISSUE INITIAL PLACEMENT SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 9,800,000 Shares to the Subscriber on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

Dated: 7 May 2021

By order of the Board



**Ray Ridge
Company Secretary**

Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

Resolution 1 – Ratification of Prior issue of Shares – Listing Rule 7.1	A person who participated in the issue or is a counterparty to the agreement being approved (namely, the Placement Participants) or an associate of that person or those persons.
Resolution 2 – Ratification of prior issue of Advisor Options – Listing Rule 7.1	A person who participated in the issue or is a counterparty to the agreement being approved (namely, the Placement Participants) or an associate of that person or those persons.
Resolutions 3 - Approval of First Placement Subscription Right	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely, Diversified Metals Holdings LLC) or an associate of that person (or those persons).
Resolution 4 - Approval to Issue Commencement Fee Shares	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely, Diversified Metals Holdings LLC) or an associate of that person (or those persons).
Resolution 5 – Approval to Issue Subscriber Options	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely, Diversified Metals Holdings LLC) or an associate of that person (or those persons).
Resolution 6 – Approval to Issue Initial Placement Shares	A person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) (namely, Diversified Metals Holdings LLC) or an associate of that person (or those persons).

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

You may still attend the meeting and vote in person even if you have lodged appointed a proxy. If you have previously submitted a Proxy Form, your attendance will not revoke your proxy appointment unless you actually vote at the meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that resolution.

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the meeting. If you do not bring your Proxy Form with you, you can still attend the meeting but representatives from the Company will need to verify your identity.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 7324 4047.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. RESOLUTION 1 – RATIFICATION OF PRIOR ISSUE OF SHARES – LISTING RULE 7.1

1.1 General

In December 2020, the Company completed a placement to sophisticated and professional investors (**Placing Participants**) of 7,125,000 fully paid ordinary shares in the capital of the Company (**Shares**) at an issue price of \$0.02 per Share (**Placing Shares**), comprising:

- (a) 70,000,000 Placing Shares to raise \$1,400,000 (issued on 1 December 2020); and
- (b) a further 1,250,000 Placing Shares to raise \$25,000 (issued on 24 December 2020),

(considered together, the **Placing**).

1.2 Listing Rule 7.1

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The issue of the Placing Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively utilises part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Placing Shares.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placing Shares.

Resolution 1 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placing Shares.

1.3 Technical information required by Listing Rule 14.1A

If Resolution 1 is passed, the Placing Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placing Shares.

If Resolution 1 is not passed, the Placing Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placing Shares.

1.4 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 1:

- (a) the Placing Shares were issued to clients of Canaccord Genuity (Australia) Limited (ACN 075 071 466) (**Canaccord**) and Fresh Equities Pty Ltd (ACN 619 657 028) (**Fresh Equities**);
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) a total of 71,250,000 Placing Shares were issued and the Placing Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Placing Shares were issued as follows:
 - (i) 70,000,000 Shares - 1 December 2020; and
 - (ii) 1,250,000 Shares - 24 December 2020;
- (e) the issue price was \$0.02 per Placing Share. The Company has not and will not receive any other consideration for the issue of the Placing Shares;
- (f) the purpose of the issue of the Placing Shares was to raise \$1,425,000, which will be applied towards the following purposes:
 - (i) payment of annual mining and exploration licence payments;
 - (ii) the return of normal business activities that has been temporarily paused through COVID restrictions locally and in Nigeria;
 - (iii) the completion of mandates and scope of works for key selected consultants to progress the defined scoping and feasibility studies; and
 - (iv) the provision of working capital for normal business overheads,
- (g) the Placing Shares were not issued under an agreement.

2. RESOLUTION 2 – RATIFICATION OF PRIOR ISSUE OF ADVISOR OPTIONS

2.1 General

The background to the Placing is set out above in Section 1.1.

On 9 December 2020, the Company entered into an agreement with Canaccord pursuant to which it agreed to engage Canaccord to provide corporate advisory services in connection with the Placing (**Corporate Advisory Mandate**). A summary of the Corporate Advisory Mandate is set out in Schedule 1 to this Notice.

On 1 December 2020, the Company issued 5,000,000 Options to Canaccord in part consideration for corporate advisory services provided to the Company in connection with the Placing (**Advisor Options**).

2.2 Listing Rule 7.1

As summarised in Section 1.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

The issue of the Advisor Options does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively utilises part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Advisor Options.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Advisor Options.

Resolution 2 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Advisor Options.

2.3 Technical information required by Listing Rule 14.1A

If Resolution 2 is passed, the Advisor Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Advisor Options.

If Resolution 2 is not passed, the Advisor Options will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Advisor Options.

2.4 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 2:

- (a) the Advisor Options were issued to Canaccord Genuity, who is not a related party of the Company;
- (b) 5,000,000 Advisor Options were issued on the terms and conditions set out in Schedule 2;
- (c) the Advisor Options were issued on 1 December 2020;
- (d) the Advisor Options were issued at a nil issue price, in part consideration for services provided to the Company. The Company has not and will not receive any other consideration for the issue of the Advisor Options (other than in respect of funds received on exercise of the Advisor Options);
- (e) the purpose of the issue of the Advisor Options was to satisfy the Company's obligations under the Corporate Advisory Mandate, which is summarised in Schedule 1; and
- (f) the Advisor Options were issued pursuant to the Corporate Advisory Mandate.

3. BACKGROUND TO RESOLUTIONS 3 TO 6

3.1 Subscription Agreement

On 23 April 2021, the Company entered into a subscription agreement with Diversified Metals Holdings, LLC (**Diversified Metals** or the **Subscriber**), a US-based institutional investor (**Subscription Agreement**). Under the Subscription Agreement, the Subscriber agreed to invest an aggregate amount of up to A\$6,500,000 in the Company, and in return, the Company agreed to issue Shares with an aggregate subscription price of up to A\$6,780,000 (**Subscription Placement**). References to Diversified Metals or the Subscriber in this Notice include any designee or nominee of Diversified Metals.

A summary of the material terms of the Subscription Agreement is set out in Schedule 3 to this Notice.

For further details in respect of the Subscriber and the Subscription Agreement, please refer to the announcement (titled "Capital Raising of up to \$10.3 million") released on the Company's ASX platform on 26 April 2021 (ASX: KFE).

As set out in that announcement, the Subscription Placement comprises:

- (a) an initial placement (subject to Shareholder approval at the Meeting) of \$2,140,000 worth of Shares (**First Subscription Amount**) to raise \$2,000,000 (being the Shares to be issued on exercise from time to time, in whole or in part, of the First Placement Subscription Right the subject of Resolution 3) (**First Placement**);
- (b) in addition, the Subscriber has granted Kogi the right to complete a second placement of \$2,140,000 worth of Shares to raise \$2,000,000, prior to the first anniversary of the First Placement (**Second Placement**); and

- (c) finally, subject to mutual consent of the Company and the Subscriber, an additional \$2.5 million of Shares may be placed by Kogi to the Subscriber to raise \$2.5 million (**Third Placement**).

The First Placement, Second Placement and Third Placement are together referred to herein as the **Subscription Placement**. The Company is not seeking Shareholder approval of the Second Placement or the Third Placement at the Meeting.

In connection with the Subscription Placement, at the Meeting, the Company is seeking approval for:

- (a) the grant to the Subscriber of the right to issue Shares in relation to the First Placement (the **Placement Shares**), under Resolution 3 of this Notice (refer to Section 4 for further details) (the **First Placement Subscription Right**);
- (b) \$159,000 worth of Shares in consideration for the commencement of the Subscription Placement (**Commencement Fee Shares**), under Resolution 4 of this Notice (refer to Section 5 for further details);
- (c) 14,800,000 Options, exercisable at 140% of the 20-day VWAP prior to their issue date, on or before the date that is 3 years following their issue date (**Subscriber Options**) (refer to Section 6 for further details); and
- (d) 9,800,000 Shares at the occurrence of the First Placement (**Initial Placement Shares**). Under the Subscription Agreement, the Initial Placement Shares will either, at the Subscriber's election:
- (i) be applied towards some or all of the aggregate number of Placement Shares to be issued under the Subscription Placement; or
 - (ii) alternatively, not be applied towards the aggregate number of Placement Shares to be issued under the Subscription Placement, and instead the Subscriber will make an additional payment to the Company. As set out in Schedule 3, if the Subscriber elects to make such a payment, the amount payable will be equal to the number of Initial Placement Shares not so applied multiplied by the Purchase Price determined at the time the payment is made.

The First Placement Subscription Right constitutes an 'equity security' under the Listing Rules (as it constitutes the right to unissued Shares) and a 'convertible security' under the Listing Rules (as it is convertible to Shares in accordance with the terms of the Subscription Agreement).

4. RESOLUTION 3 – APPROVAL OF FIRST PLACEMENT SUBSCRIPTION RIGHT

4.1 General

The background to the Subscription Placement is set out above in Section 3.1.

As summarised in Section 1.2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

The proposed grant of the First Placement Subscription Right falls (and, upon exercise of that right by the Subscriber, the subsequent issue of the Placement Shares falls) within exception 17 of Listing Rule 7.2. It therefore requires the approval of Shareholders under Listing Rule 7.1. As set out in Section 3.1, the First Placement Subscription Right constitutes both an 'equity security' and a 'convertible security' under the Listing Rules.

4.2 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Company will be able to proceed with granting the Subscriber the First Placement Subscription Right. In addition, upon exercise of that right by the Subscriber, the issue of the Placement Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 3 is not passed, the grant of the First Placement Subscription Right to the Subscriber, together with the issue of the Placement Shares on exercise of the First Placement Subscription Right, will not proceed; accordingly, the Company will not be able to proceed with the First Placement (and receive the additional \$2,000,000 of funding).

Resolution 3 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Placement Shares.

4.3 Indicative Share Calculation

As set out in the Company's announcement released on 26 April 2021, the number of Placement Shares to be issued on exercise of the First Placement Subscription Right will be determined by applying the Purchase Price at the time of the exercise to all or part of the First Subscription Amount, subject to the Floor Price (refer to Schedule 3 for the meaning of Purchase Price and Floor Price). The Purchase Price will be equal to \$0.034 initially (being the Initial Purchase Price as defined in Schedule 3), representing a premium of approximately 48% to the closing price of Shares on 23 April 2021, and thereafter will be determined as set out in Schedule 3. The Floor Price (refer definitions) is \$0.01.

The Purchase Price will be determined as follows:

- (a) if the Shares are issued at any time prior to 26 August 2021, the Purchase Price will be \$0.034, representing a premium of approximately 48% to the closing price of the Company's shares on 23 April 2021; or
- (b) if the Shares are issued at any time after 26 August 2021, the Purchase Price will reset to the average of the 5 daily VWAP selected by the Subscriber during the 20 consecutive trading days immediately prior to the date of the Subscriber's notice to issue shares, less an 8% discount (or a 10% discount if the Placement Shares are issued after 26 April 2022) (rounded down to the next one tenth of a cent, or if the share price exceeds \$0.10, the next half a cent).

Set out below is a worked example of the number of Placement Shares that may be issued on exercise of the First Placement Subscription Right, using five example average of 5 daily VWAPs (at intervals of \$0.011) and the resulting Purchase Price, and assuming the Investor elects to exercise the First Placement Subscription Right in full and the subscription occurs after 26 August 2021 (such that the Purchase Price of \$0.034 is not applicable) and before 26 April 2022 (such that an 8% discount applies to the average of the 5 daily VWAPs).

Example average of 5 daily VWAPs	Relevant Purchase Price (average of the 5 daily VWAPs less 8% discount)	Number of Shares issued on exercise of the First Placement Subscription Right (based on the relevant Purchase Price)
\$0.011	\$0.010 (equal to the Floor Price)	214,000,000
\$0.022	\$0.02	107,000,000
\$0.033	\$0.03	71,333,333
\$0.044	\$0.04	53,500,000
\$0.055	\$0.05	42,800,000

Note: The closing price on 6 May 2021 for the Company's shares (being the last practicable date prior to preparation of this Notice) was \$0.017.

Where the Purchase Price is less than the Floor Price, the Company may refuse to issue Shares and instead opt to repay the relevant subscription price (being \$2,140,000 or the relevant portion thereof) in cash (with a 5% premium) (being a total of \$2,247,000 or the corresponding portion thereof); however, this is subject to the Subscriber's right to receive Shares at the Floor Price in lieu of such cash repayment.

The above payments must be made no later than the first business day following the date on which that notice was provided to the Company.

The Company notes that the above workings are an example only and the actual number of Placement Shares to be issued on exercise of the First Placement Subscription Right may differ. This will result in the maximum number of Placement Shares to be issued and the dilution percentage to also differ.

4.4 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 3:

- (a) the First Placement Subscription Right (being the right to acquire the Placement Shares and which itself will constitute the issue an 'equity security' and a 'convertible security' within the meanings of such terms in the Listing Rules) will be granted to Diversified Metals, and the Placement Shares issuable on exercise of that First Placement Subscription Right will be issued to Diversified Metals;
- (b) the maximum number of Placement Shares to be issued upon exercise of the First Placement Subscription Right is unknown as at the date of this Notice. However, please refer above to Section 4.3 for a hypothetical worked example of the potential number of Placement Shares to be issued, using an assumed low, mid and high-range Purchase Price. The Purchase Price will be determined as set out in Schedule 3. The Placement Shares issued on exercise of the First Placement Subscription Right will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the First Placement Subscription Right will be granted to the Subscriber no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules). Under the Subscription Agreement, issues of Placement Shares

must occur within 24 months of the prepayment related to First Placement;

- (d) the issue price of the Placement Subscription Right is \$2,140,000. The issue price or prices of the Placement Shares to be issued on exercise of the First Placement Subscription Right are unknown as at the date of this Notice. This number will be calculated as set out in the summary of the Subscription Agreement in Schedule 3, as consideration for investments made by Diversified Metals under the Subscription Agreement;
- (e) the purpose of the grant of the First Placement Subscription Right (and the subsequent issue of the Placement Shares) is to satisfy the Company's obligations under the Subscription Agreement;
- (f) the grant of the First Placement Subscription Right and the subsequent issue of the Placement Shares in relation thereto are being granted/issued to Diversified Metals under the Subscription Agreement. A summary of the material terms of the Subscription Agreement is set out in Schedule 3; and
- (g) the grant of the First Placement Subscription Right is not being granted under, or to fund, a reverse takeover.

5. RESOLUTION 4 – APPROVAL TO ISSUE COMMENCEMENT FEE SHARES

5.1 General

The background to the Subscription Placement is set out above in Section 3.1.

Under the Subscription Agreement, the Company has agreed to pay a fee of \$159,000 to the Subscriber (**Commencement Fee**) in part consideration for the investment by way of the Subscription Placement in the Company, subject to obtaining Shareholder approval. The Commencement Fee is payable in Shares. The issue of the Commencement Fee Shares to the Subscriber is a condition precedent to the First Placement.

Accordingly, under Resolution 4, the Company is seeking Shareholder approval for the issue of up to that amount of Shares worth \$159,000 (**Commencement Fee Shares**) to enable the Company to settle the Commencement Fee by way of the issue of Shares to the Subscriber.

As summarised in Section 1.2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

5.2 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Company will be able to proceed with the issue of the Commencement Fee Shares. In addition, the issue of the Commencement Fee Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1. This will mean that the Company will pay the Commencement Fee entirely in Shares and not cash.

If Resolution 4 is not passed, the issue of the Commencement Fee Shares will not proceed; accordingly, the Company will not be able to proceed with the First Placement (and will not receive the additional \$2,000,000 of funding). The

Company will, however, pay \$48,000 in cash regardless of whether Resolution 4 is passed or not.

5.3 Indicative Share Calculation

These shares will be issued, at the Reset Purchase Price (calculated as at the date of issue). Set out below is a worked example of the number of Commencement Fee Shares that may be issued to satisfy the Commencement Fee, using an assumed low, mid, and high-range Purchase Price.

Example average of 5 daily VWAPs	Reset Purchase Price	Number of Commencement Fee Shares issued
\$0.011	\$0.01 (equal to the Floor Price)	15,900,000
\$0.022	\$0.02	7,950,000
\$0.033	\$0.03	5,300,000
\$0.044	\$0.04	3,975,000
\$0.055	\$0.05	3,180,000

Note: The closing price on 6 May 2021 for the Company's shares (being the last practicable date prior to preparation of this Notice) was \$0.017.

5.4 Technical information required by Listing Rule 7.1

- (a) Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 4: the Commencement Fee Shares will be issued to Diversified Metals;
- (b) the maximum number of Commencement Fee Shares is unknown, however the maximum potential number of Commencement Fee Shares is that amount of Shares worth \$159,900. Refer above for indicative scenarios contemplating the maximum number of Commencement Fee Shares to be issued based on varying example 5 daily VWAPs and the resulting Reset Purchase Price. The Commencement Fee Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Commencement Fee Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that the issue of all of the Commencement Fee Shares will occur on the same date;
- (d) the Commencement Fee Shares will be issued at the price per share price as set out Schedule 3, in consideration for amounts owing to Diversified Metals. Note that, for the purposes of the Commencement Fee Shares, the Reset Purchase Price will be the average of the five-daily volume-weighted average prices during the 20 consecutive trading days immediately prior to the date of the issue, less an 8% discount (rounded down to the next one tenth of a cent, or if the share price exceeds \$0.10, the next half a cent);
- (e) the purpose of the issue of the Commencement Fee Shares is to satisfy the Company's obligations under the Subscription Agreement;

- (f) the Commencement Fee Shares are being issued to Diversified Metals under the Subscription Agreement. A summary of the material terms of the Subscription Agreement is set out in Schedule 3; and
- (g) the Commencement Fee Shares are not being issued under, or to fund, a reverse takeover.

6. RESOLUTION 5 – APPROVAL TO ISSUE SUBSCRIBER OPTIONS

6.1 General

The background to the Subscription Placement is set out above in Section 3.1.

Under the Subscription Agreement, the Company has agreed to issue 14,800,000 Options, exercisable at a price equal to 140% to the 20-day VWAP (calculated as at the date of issue), on or before the date that is 3 years from the date of issue of the Options, to the Subscriber (**Subscriber Options**). The issue of the Subscriber Options to the Subscriber is a condition precedent to the First Placement.

Accordingly, under Resolution 5, the Company is seeking Shareholder approval for the issue of the Subscriber Options.

As summarised in Section 1.2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

6.2 Technical information required by Listing Rule 14.1A

If Resolution 5 is passed, the Company will be able to proceed with the issue of the Subscriber Options. In addition, the issue of the Subscriber Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 5 is not passed, the issue of the Subscriber Options will not proceed; accordingly, the Company will not be able to proceed with the First Placement (and receive the additional \$2,000,000 of funding).

Resolution 5 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Subscriber Options.

6.3 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 5:

- (a) the Subscriber Options will be issued to Diversified Metals;
- (b) the maximum number of Subscriber Options to be issued is 14,800,000. The terms and conditions of the Subscriber Options are set out in Schedule 4;
- (c) the Subscriber Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that the issue of all of the Subscriber Options will occur on the same date;

- (d) the Subscriber Options will be issued in consideration of the Subscriber's obligations under the Subscription Agreement (and thus for no cash consideration), in consideration for amounts owing to the Subscriber;
- (e) the purpose of the issue of the Subscriber Options is to satisfy the Company's obligations under the Subscription Agreement;
- (f) the Subscriber Options are being issued to Diversified Metals under the Subscription Agreement. A summary of the material terms of the Subscription Agreement is set out in Schedule 3; and
- (g) the Subscriber Options are not being issued under, or to fund, a reverse takeover.

7. RESOLUTION 6 – APPROVAL TO ISSUE INITIAL PLACEMENT SHARES

7.1 General

The background to the Subscription Placement is set out above in Section 3.1.

Under the Subscription Agreement, the Company has agreed to issue 9,800,000 Shares (**Initial Placement Shares**) at the occurrence of the First Placement. As noted in Section 3.1 (d) and Schedule 3, some or all of the Initial Placement Shares may be applied towards the aggregate number of Placement Shares to be issued under the Subscription Placement or, as described in Section 7.2, an additional payment may be made equal to the value of the number of all or part of those Initial Placement Shares.

7.2 Optional Additional Payment

Under the Subscription Agreement, the Subscriber may elect, in its sole discretion, in lieu of applying some or all of the Initial Placement Shares towards of the aggregate number of Placement Shares to be issued under the Subscription Placement, by providing notice to the Company of its intention to do so, to make an additional payment to the Company equal to all or part of the value of the number of the Initial Placement Shares (that part being the **Election Shares**). Upon making such an election, the Subscriber will be entitled to not have that number of Election Shares deducted from the total number of Placement Shares to be issued under the Subscription Placement.

Examples of the potential Initial Placement Shares issued are set out below.

Scenario	Resulting Action
Subscriber does not elect to make an additional payment in respect of any Election Shares	9,800,000 Initial Placement Shares issued to the Subscriber; and total number of Placement Shares issued to the Subscriber reduced by 9,800,000
Subscriber elects to make an additional payment in relation to the value of a portion of 9,800,000 Shares (i.e. for some Election Shares)	9,800,000 Initial Placement Shares issued to the Subscriber; total number of Placement Shares issued to the Subscriber reduced by that number of Election Shares.
Subscriber elects to make an additional payment in relation to the value of 9,800,000 Shares (a payment up to the full value of 9,800,000 Shares)	9,800,000 Initial Placement Shares issued; and no Shares deducted from total number of Placement Shares (Subscriber effectively acquires the

Scenario	Resulting Action
	9,800,000 Shares for which approval has been sought under this Resolution)

The issue of the Initial Placement Shares to the Subscriber is a condition precedent to the First Placement.

Under the Subscription Agreement, the issue of the Initial Placement Shares is subject to Shareholder approval. Accordingly, under Resolution 6, the Company is seeking Shareholder approval for the issue of the Initial Placement Shares.

As summarised in Section 1.2 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

7.3 Technical information required by Listing Rule 14.1A

If Resolution 6 is passed, the Company will be able to proceed with the issue of the Initial Placement Shares. In addition, the issue of the Initial Placement Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 6 is not passed, the issue of the Initial Placement Shares will not proceed. Accordingly, the Company will not be able to proceed with the First Placement (and receive the additional \$2,000,000 of funding). Resolution 6 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of the Initial Placement Shares.

7.4 Technical information required by Listing Rule 7.1

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 6:

- (a) the Initial Placement Shares will be issued to Diversified Metals;
- (b) the maximum number of Initial Placement Shares to be issued is 9,800,000. The Initial Placement Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (c) the Initial Placement Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that the issue of all of the Initial Placement Shares will occur on the same date;
- (d) the Initial Placement Shares will be issued in consideration of the Subscriber's agreement to make the First Placement (and thus for no cash consideration). As set out in Section 3.1, in accordance with the terms of the Subscription Agreement, the Investor may elect to apply some or all of the Initial Placement Shares towards the aggregate number of Shares which are required to be issued by the Company upon exercise of the First Placement Subscription Right or, alternatively, make the payment to the Company described in Section 3.1;
- (e) the purpose of the issue of the Initial Placement Shares is to satisfy the Company's obligations under the Subscription Agreement;

- (f) the Initial Placement Shares are being issued to Diversified Metals under the Subscription Agreement. A summary of the material terms of the Subscription Agreement is set out in Schedule 3; and
- (g) the Initial Placement Shares are not being issued under, or to fund, a reverse takeover.

GLOSSARY

\$ means Australian dollars.

Advisor Options means the 5,000,000 unlisted Options issued to Canaccord on 1 December 2021, in part consideration for corporate advisory services provided to the Company.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Canaccord means Canaccord Genuity (Australia) Limited (ACN 075 071 466).

Chair means the chair of the Meeting.

Commencement Fee means the amount of \$159,000 to be paid by the Company to the Subscriber under the Subscription Agreement.

Commencement Fee Shares means \$159,000 worth of Shares in consideration for the commencement of the Subscription Placement, the subject matter of Resolution 4 of this Notice.

Company means Kogi Iron Limited (ACN 001 894 033).

Constitution means the Company's constitution.

Corporate Advisory Mandate means an agreement with Canaccord to provide corporate advisory services in connection with the Placing.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Diversified Metals means Diversified Metals Holdings, LLC. References to Diversified Metals in this Notice of Meeting include any designee or nominee of Diversified Metals.

Explanatory Statement means the explanatory statement accompanying the Notice.

First Placement means an initial placement under the Subscription Agreement of \$2,140,000 worth of Shares to raise \$2,000,000 (being the Shares the subject of Resolution 3).

First Placement Subscription Right means the subscription right relating to the Shares the subject of the First Placement, under Resolution 3 of this Notice.

Floor Price means the minimum price by which, if the formula for calculating the Purchase Price results in a figure less than that figure, the Company may refuse to issue the Placement Shares and instead opt to repay the relevant subscription price in cash (with a 5% premium), subject to the Subscriber's right to receive Placement Shares in lieu of such cash repayment.

Fresh Equities means Fresh Equities Pty Ltd (ACN 619 657 028).

General Meeting or **Meeting** means the meeting convened by the Notice.

Initial Placement Shares means the 9,800,000 Placement Shares that the Company has agreed to issue immediately upon commencement of the Subscription Agreement, being the Shares the subject of Resolution 6.

Initial Purchase Price means the price of \$0.034 per Share applicable to the First Placement if the Shares are issued prior to 26 August 2021.

Listing Rules means the Listing Rules of ASX.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means a right of the holder to acquire one Share for each option held.

Placement Shares means the Shares issuable upon exercise of the First Placement Subscription Right and the subscription rights relating to the Shares the subject of the Second Placement and the Third Placement.

Placing Participants means the participants in the placement outlined in Section 1.1.

Placing Shares means Shares issued as outlined in Section 1.1.

Proxy Form means the proxy form accompanying the Notice.

Purchase Price means in relation to an issue of Shares before 26 August 2021, the Initial Purchase Price, or in relation to an issue of Shares on or after 26 August 2021, the average of the five-daily volume-weighted average prices selected by the Subscriber during the 20 consecutive trading days immediately prior to the date of the Subscriber's notice to issue shares, less an 8% discount (or a 10% discount if the Placement Shares are issued after 26 April 2022) (rounded down to the next one tenth of a cent, or if the share price exceeds \$0.10, the next half a cent).

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Second Placement means a second placement under the Subscription Agreement of \$2,140,000 worth of Shares to raise \$2,000,000, prior to the first anniversary of the First Placement, to be undertaken at the Company's option.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

Subscriber means Diversified Metals Holdings, LLC. References to Subscriber in this Notice of Meeting include any designee or nominee of the Subscriber.

Subscriber Options means 14,800,000 unlisted Options, exercisable at 140% of the 20-day VWAP prior to their issue date, with an expiry of 3 years following their date of issue, the subject matter of Resolution 5.

Subscription Agreement means a subscription agreement with Diversified Metals Holdings, LLC as summarised in Schedule 3 to this Notice.

Subscription Placement means the investment of an aggregate amount of up to A\$6,500,000 in the Company, and in return, the Company agreed to issue Shares with an aggregate subscription price of up to A\$6,780,000, in accordance with the Subscription Agreement (being the aggregate of the First Placement, Second Placement and the Third Placement).

Third Placement means an additional \$2.5 million of Shares may be placed under the Subscription Agreement by the Company to the Subscriber to raise \$2.5 million, subject to mutual consent of the Company and the Subscriber.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – SUMMARY OF CORPORATE ADVISORY MANDATE

The Company entered into a mandate with Canaccord on 12 November 2020 pursuant to which Canaccord has agreed to provide ongoing corporate and strategic advisory services as well as in relation to the Capital Raising (**Corporate Advisory Mandate**). The key terms of the Corporate Advisory Mandate are as follows:

- (a) **(Term)**: for the minimum period of 6 months commencing on 12 November 2020 (**Minimum Term**) and thereafter on termination by either the Company or Canaccord in accordance with the Corporate Advisory Mandate;
- (b) **(Fees)**: the Company has agreed to pay Canaccord:
 - (i) a corporate advisory fee of \$10,000 plus GST payable on execution of the Corporate Advisory Mandate and a management fee of 2% of all funds raised under the Capital Raising plus GST;
 - (ii) a selling fee of 5% of funds raised under the Capital Raising from investors introduced by Canaccord plus GST; and
 - (iii) 5 million listed Options exercisable at \$0.03 expiring on or before the date that is three years from the date of issue.
- (c) **(Expenses)**: the Company agrees to reimburse Canaccord for all reasonable out of pocket expenses incurred in connection with the Corporate Advisory Mandate;
- (d) **(Additional engagements)**: if during the term of the Corporate Advisory Mandate (including 30 days after its lawful termination) the Company undertakes an equity or hybrid capital raising, the Company agrees to offer Canaccord the opportunity to act as sole and exclusive lead manager and bookrunner to that offer and must not engage any other party unless Canaccord has already declined.
- (e) **(Termination)**: the parties may terminate the Corporate Advisory Mandate as follows:
 - (i) the Company may terminate the Corporate Advisory Mandate at any time after the Minimum Term by giving Canaccord 30 days written notice.
 - (ii) Canaccord may terminate the Corporate Advisory Mandate at any time.

Any termination of the Corporate Advisory Mandate does not prejudice any accrued rights or liabilities.

The Corporate Advisory Mandate otherwise contains terms, conditions and restrictions which are customary for an agreement of its nature including confidentiality provisions.

SCHEDULE 2 – TERMS AND CONDITIONS OF ADVISOR OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.03 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the date that is three years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 3 – SUMMARY OF SUBSCRIPTION AGREEMENT

A summary of the material terms of the Subscription Agreement is set out below.

Placement Shares

Kogi will issue Shares (**Placement Shares**) in relation to all or part of the Subscription Placement made by the Subscriber, at the Subscriber's request, within 24 months of the date of the corresponding prepayment. The number of shares so issued by the Company will be determined by applying the Purchase Price (as set out below) to the subscription price prepaid by the Subscriber, but subject to the Floor Price (as set out below). The Purchase Price will be equal to \$0.034 initially, representing a premium of approximately 48% to the closing price of the Company's shares on 23 April 2021 (if the Placement Shares are issued prior to 26 August 2021) (**Initial Purchase Price**).

Pricing

Subject to the Floor Price described below, from 26 August 2021, the Purchase Price will reset to the average of the five-daily volume-weighted average prices selected by the Subscriber during the 20 consecutive trading days immediately prior to the date of the Subscriber's notice to issue shares, less an 8% discount (or a 10% discount if the Placement Shares are issued after 26 April 2022) (rounded down to the next one tenth of a cent, or if the share price exceeds \$0.10, the next half a cent) (the **Reset Purchase Price**). Note that the meaning of Reset Purchase Price differs slightly in the context of the Commencement Fee Shares. The Purchase Price will, nevertheless, be the subject of the Floor Price of \$0.01. If the Purchase Price formula results in a price that is less than the Floor Price, the Company may refuse to issue shares and instead opt to repay the relevant subscription price in cash (with a 5% premium), subject to the Subscriber's right to receive Shares at the Floor Price in lieu of such cash repayment. The Purchase Price will not be the subject of a cap (thereby ameliorating a potential dilutive effect of a capital raising at today's share price level).

Initial Placement Shares

The Company will make an initial issuance of 9.8 million Shares to the Subscriber at the time of the funding of First Placement (subject to obtaining shareholder approval of Resolution 6), towards the ultimate number of Placement Shares to be issued. Alternatively, in lieu of applying these shares towards the aggregate number of the Placement Shares to be issued by the Company, the Subscriber may make a further payment to the Company equal to the value of these shares determined using the Purchase Price at the time of the payment.

Refusal to issue Shares

The Company will have the right (but no obligation) to refuse an issuance of shares in relation to the Subscriber's request for issuance and instead to repay the subscription amount by making a payment to the Subscriber equal to the number of shares that would have otherwise been issued multiplied the Purchase Price or, if greater, the market value of the Placement Shares at that time.

Second Placement

Neither the Subscriber nor Kogi has any obligation in relation to the Second Placement unless, during the six months following the date of this announcement, Kogi exercises its option to put the Second Placement to the Subscriber. In order to exercise this option, Kogi must have sufficient placement capacity to conduct the Second Placement at the time of exercising that option, obligating the Subscriber to provide the funding, prior to the first anniversary of the First Placement. Kogi will determine whether to exercise the option prior

to the deadline for its exercise, based on its capital requirements, the macroeconomic conditions, its share price, and its capacity under Listing Rule 7.1.

The proceeds from the Second Placement will not exceed 15% of the Company's market capitalisation, without the Subscriber's consent.

The Subscriber will not be obligated to provide the Second Placement, and/or may reduce the size of the Second Placement, if the market price of the Company's shares is below \$0.009 and does not recover to above that level within two months after the Subscriber providing the Company with notice thereof. In addition, the Company and the Subscriber will each have the right to postpone the Second Placement by up to two months.

Third Placement

Finally, subject to mutual consent of the Company and the Subscriber, an additional \$2.5 million of Shares may be placed by Kogi to the Subscriber to raise \$2.5 million.

Commencement Fee Shares

The Company has agreed, subject to obtaining shareholder approval, concurrent with the funding of First Placement, to pay a fee of \$159,900 to the Subscriber by way of the issue of shares. These shares will be issued at the Reset Purchase Price (refer above for defined term) as at the time of their issue. \$48,000 of the \$149,000 will be paid by the Company to the Subscriber regardless of whether shareholder approval is obtained (in cash, in the absence of shareholder approval). Therefore, the potential scenarios are:

- (a) if Shareholder approval is obtained for the Commencement Fee Shares (i.e. Shareholder approval is obtained for Resolution 4), the Company will issue \$159,900 worth of Shares to the Subscriber; or
- (b) if Shareholder approval is not obtained for the Commencement Fee Shares (i.e. Shareholder approval is not obtained for Resolution 4), the Company will pay \$48,000 in cash to the Subscriber, however, will not issue the Commencement Fee Shares.

Subscriber Options

The Company has also agreed to grant 14.8 million unlisted options to the Subscriber exercisable during the 36 months following their issue date at 140% of the average of the daily volume-weighted average price of the shares during the 20 trading days prior to their issue date.

The Subscription Agreement contains terms and conditions considered standard for an agreement of this nature.

SCHEDULE 4 – TERMS AND CONDITIONS OF SUBSCRIBER OPTIONS

(a) **Nature of Options**

Each Option grants the holder the right but not the obligation to be issued by the Company one Share at the Option Exercise Price.

(b) **Exercise of Options**

An Option holder may exercise any Option it holds at any time after the Option Grant Date and prior to the date that is thirty-six (36) months after the Option Grant Date by delivery of:

- (i) a copy of a duly executed Option exercise form (Exercise Form) to the Company on any Business Day; and
- (ii) payment of an amount equal to the Option Exercise Price multiplied by the number of Shares in respect of which the Options are being exercised at the time.

In each Exercise Form, the Subscriber must advise the Company of the details of the Subscriber's Securities Account into which the relevant Shares are to be delivered in accordance with this Agreement.

(c) **Issue of Shares on exercise of Options**

As soon as reasonably practicable, but no later than on the Business Day following the date of the receipt of a duly completed Exercise Form and the payment referred to in clause (b)(ii) of this Schedule 4, the Company must issue the Shares (in accordance with this Agreement) in respect of which the Options are so exercised by the Option holder and provide to the Option holder holding statements evidencing that such Shares have been recorded on the Company's Share register.

(d) **Bonus issues**

If prior to an exercise of an Option, there is a bonus issue (as referred to in Listing Rule 6.22.3) the number of Shares over which an Option is exercisable shall be increased as specified in Listing Rule 6.22.3.

(e) **Rights issues**

If prior to an exercise of an Option, there is a pro rata issue (except a bonus issue) as referred to in Listing Rule 6.22.2, the Option Exercise Price shall be reduced according to the formula in Listing Rule 6.22.2.

(f) **Reconstruction of capital**

In the event of a consolidation, subdivision or similar reconstruction of the issued capital of the Company, the rights of an Option holder will be changed to comply with the Listing Rules (currently Listing Rule 7.22) applying to a reorganisation of capital at the time of the reorganisation.

(g) **Cumulative adjustments**

Full effect must be given to the provisions of clauses (d) to (f) of this Schedule 4, as and when occasions for their application arise and in such manner that the effects of the successive applications of them are cumulative, the intention being that

the adjustments they progressively effect will be such as to reflect, in relation to the Shares issuable on exercise of the Options outstanding, the adjustments which on the occasions in question are progressively effected in relation to Shares already on issue.

(h) **Notice of adjustments**

Whenever the number of Shares over which an Option is exercisable, or the Option Exercise Price, is adjusted pursuant to this Agreement, the Company must give written notice of the adjustment to all the Option holders, within one Business Day.

(i) **No right to participate in new issues**

An Option holder cannot (in its capacity as a holder of an Option) participate in new issues of Securities without exercising the Option.

(j) **Assignability and transferability**

The Options are freely assignable and transferable, subject to the provisions of Chapter 6D of the Corporations Act and all applicable other Laws.

(k) **Applicable provisions of this Agreement incorporated in terms of Options**

Without limiting the generality or the applicability of any of the terms of this Agreement to the Options and all Shares issued or issuable on their exercise, the parties acknowledge that, for clarity, the provisions of clauses 5.1 to 5.8 and 5.11 to 5.12 of the Subscription Agreement constitute part of the terms of the Options.



KOGI IRON LIMITED

ACN 001 894 033

LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

BY MAIL
Kogi Iron Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

ALL ENQUIRIES TO
Telephone: 1300 554 474 Overseas: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of Kogi Iron Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the General Meeting of the Company to be held at **11:00am (AWST) on Friday, 11 June 2021 at The Celtic Club, 48 Ord Street, West Perth, Perth, WA 6005 (the Meeting)** and at any postponement or adjournment of the Meeting.

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Ratification of prior issue of Shares – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Approval to issue Subscriber Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Ratification of prior issue of Advisor Options – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Approval to issue Initial Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of First Placement Subscription Right - Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Approval to issue Commencement Fee Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

STEP 3

KFE PRX2101A



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **11:00am (AWST) on Wednesday, 9 June 2021**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MAIL

Kogi Iron Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**