



SEPTEMBER 2022 QUARTERLY ACTIVITIES REPORT

31 October 2022: 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 Quarterly Activities Report for the three months ending 30 September 2022 (**the Quarter**).

Highlights for the Quarter

- Agbaja Updated Scoping Study
- Addition of Goldsworthy East Iron Ore Project
- Acquisition of Mogul Copper-Zinc VMS Project
- Conclusion of Institutional Investment with Diversified Metals Holdings, LLC
- Completion of Tranche 2 Capital Raising, raising \$116,000
- Changes to Board of Directors

Introduction

The Quarter was important for the Company, having announced the acquisition of the Goldsworthy East Iron Ore and Mogul VMS Projects as well as having announced an update on the results of the 2022 updated Agbaja project market feasibility study conducted by Fastmarkets- the most trusted cross-commodity price reporting agency (PRA) in the agriculture, forest products, metals and mining, and energy transition markets.

Following the release and significant findings of the 2022 Fastmarkets market feasibility study the Company undertook to update the Scoping study released in December 2021 to incorporate the updates to Steel price forecasting to 2032 and projected for the 25-year project life and to adjust a number of project cost inputs that were likely to have changed since the December 2021 scoping study. The updated Scoping study was released to the ASX on 27 July 2022.

The Company also announced during the quarter changes to the Board, with Non-Executive Chairman, Mr Sean Gregory stepping down, with Mr Peter Huljich becoming Non-Executive Chairman and Mr Campbell Smyth joining the board as a Non-Executive Director.

Macro Metals Update

As previously advised a review by industry leading consultants CSA Global Pty Limited recommended RC drilling at Catho Well North, Wiluna West, and Mt Padbury (refer ASX Announcement 22 March 2022). Kogi selected Catho Well North as the highest priority target for initial drilling due to its proximity to Onslow Port (180km) and results from previous drilling (Refer ASX Announcement 23/9/2021 for Exploration Results).

During the June 2022 quarter the Company continued to progress the necessary approvals for drilling at each of the Macro Metals projects.

The Western Australian Department of Mines, Industry, Resources and Safety (DMIRS) has approved the Program of Work (POW) for drilling at Catho Well North, Cane River and Wiluna West.

Comprehensive Native Title Agreements and Heritage Surveys are a necessary part of a consultative and collaborative approach to progressing drilling activities and the Company is committed to carrying these out with the utmost respect and dedication as part of the Company's environmental, social and governance responsibilities. Heritage discussions have been initiated with the Traditional Owners of the lands for each of the Macro Metals Projects. For the highest priority drill target at Catho Well North, discussions have been slower than hoped due to sensitivities around the Juukan Gorge disaster prompting the PKKP (representing the Puutu Kuntj Kurrama people and the Pinikura people) to review their preferred heritage agreement which they plan to present to Kogi soon. The company has a heritage agreement in place for Mt Padbury and a request for a heritage survey under this agreement has been lodged with the Jidi Jidi Traditional Owners. At both Cane River and Wiluna West, no Native Title has been determined, however discussions with the adjacent Native Title holders, who can speak for country, have resulted in draft heritage agreements recently being presented to the Company. It should be noted that the operating environment for resources companies seeking to progress their projects has changed significantly, particularly with regard to how companies engage with their indigenous stakeholders, since the historic events in the Pilbara that resulted in the destruction of items of cultural significance.

For the tenement applications at Fig Tree, Mt Pyrton and Five Mile, land access negotiations with local pastoralists and other mining companies are progressing.

Kogi continues to work through these necessary steps to enable drilling to proceed.

Goldsworthy East Iron Ore Project

On 8 September 2022, the Company announced the addition of the Goldsworthy East Iron Ore Project to its Australian iron ore portfolio, located 1,500m east-north-east of BHP's Mt Goldsworthy Iron Ore Mine, which produced 55mt at 63.5% Fe between 1965 and 1982.

Kogi considers the Goldsworthy East project to be highly prospective as mapping and magnetic interpretation has shown the geology of the tenement consists of the same Cleaverville Banded Iron Formation which hosts the Mt Goldsworthy Iron Ore deposit. Kogi is very excited by the addition of, and the prospect of undertaking exploration on, the Goldsworthy East project.

E45/6248 was applied for following the withdrawal of a previous application over the concession. No third-party consideration is payable.

Mogul Copper-Zinc VMS Project

On 28 September 2022, the Company announced the acquisition of the Mogul VMS Project, tenement E46/1399, 60km east of Nullagine in Western Australia to its portfolio, which represents an important addition to the current West Australian iron ore projects and is a step towards Kogi becoming a Multi metal Project Company.

The Mogul tenement hosts a cluster of gossans including the Mogul and CEC gossan which were discovered in the 1970's and return highly anomalous Copper results of up to 36% Cu and 11% Zn.

The high-grade copper and zinc intercepts identified in the review of the WAMEX data base will be followed up with modern geophysical exploration techniques with a view to drill testing some of the identified target in 2023.

E46/1399 was acquired by Kogi Iron from Mining Equities Pty Ltd for cash payment of \$5,566 representing costs incurred on the Tenement. No third-party consideration is payable.

Agbaja Project Activities

There is ongoing focus on the Company's potential integrated steel project in Nigeria-a project of potential national significance. The Agbaja project will provide the largest and fastest growing economy in Africa with the ability to reduce its reliance on imported steel products.

In late 2021 Kogi acquired iron ore tenements in the Pilbara with a view to progressing necessary community engagement activities as a precursor to ground disturbance and drilling works as part of broader feasibility work to assess potential development that will drive the company's sustainability, provide a local project and ultimately look to deliver shareholder value.

Agbaja Project Update

Work on the Feasibility Study for the Agbaja Integrated Steel Project continued during the quarter with significant progress being made including:

- Release of an Updated Scoping Study.
- Release of the results of the Fastmarkets- Market Feasibility Study, showing substantially improved and attractive project economics.
- Discussions to extend the previously granted approval of the Environment Impact Assessment (EIA)_plan Commencement meeting on refining test work with Uvan Hagfors Teknology AB (UHT) in Sweden to optimally test the impact of varied phosphorus content and provide accurate input with respect to cost and consumption data.
- Arrival of samples in USA ready for pilot-scale rotary kiln reduction testwork by FL Smidth.

Updated Scoping study

Following the release and significant findings of the 2022 Fastmarkets Market Feasibility study the Company undertook to update the Scoping study released to the market in December 2021 to incorporate updated Steel price forecasts to 2032 and to adjust a number of project cost inputs that have changed since December 2021. Please refer to the updated Scoping study release to the ASX on 27 July 2022.

The key metrics and outcomes of the Updated Scoping Study are:

- 92% of the Mineral Resource (586Mt @ 41.3% Fe Indicated and Inferred Mineral Resource) scheduled for mining is from the Indicated Resource classification.
- Mine production rate of 1.7 Mtpa at an average grade of 46.7% Fe for an initial 25-year operation.
- Mine strip ratio 0.5:1 (waste ore).
- Steel billet production rate of 500,000 tpa.
- Mining and steel billet operating costs of approximately USD 502/ billet tonne.
- Capital requirement approximately USD 557 million.
- At USD 1,024/tonne steel billet price:
 - NPV₁₀ of approximately USD 1.4 billion (after-tax) (AUD 2.0 billion (at 1 AUD = 0.70 USD))
- IRR of approximately 33% (after-tax).
- Payback of 4 years (after-tax) from commencement of development.

- The Company plans to operate the steel billet and casting plant contract mining the open pit mine whilst the project power generation plant will be outsourced on the basis of a Build-Own-Operate model (BOO).

The Updated Scoping Study has demonstrated the potential for strong financial returns for the Agbaja Project (Table 1) based on a proposed stand-alone open pit mine supplying a conventional crushed, screened, scrubbed iron ore product to a steel billet plant located at the project site.

The Company considers the Project to be technically low risk given the present understanding and the level of test work completed on the metallurgy of the conversion of iron ore into a steel billet product.

The Updated Scoping Study delivered the following production and financial results (changes to the December 2021 Study are highlighted in **blue**):

| Metric | Updated 2022 Scoping Study | December 2021 Scoping Study |
|---------------------------------------------------------------|----------------------------|-----------------------------|
| Economic Analysis | | |
| NPV @ 10% (After-Tax) (2021 Study 8%) | Approximately USD 1.4 B | Approximately USD 273 M |
| Internal Rate of Return (IRR), After-Tax | Approximately 33% | Approximately 14% |
| Average Annual Cashflow (After-Tax) ¹ | Approximately USD 213 M | Approximately USD 74 M |
| Undiscounted Cumulative Cashflow (After-Tax) ¹ | Approximately USD 5,540 M | Approximately USD 1,345 M |
| Pay-Back Period (After-Tax) | Approximately 4 years | Approximately 6 years |
| Nigerian Steel Billet Price Assumption (2023-2032) | USD 1,024 / billet tonne | USD 550 / billet tonne |
| Capital Costs | | |
| Direct Capital | USD 496 M | USD 450 M |
| Indirect Capital | USD 61M | USD 57M |
| Total Capital | USD 557M | USD 507M |
| Operating Costs (Average LOM) | | |
| Mining | USD 19 / billet tonne | USD 19 / billet tonne |
| Steel Casting Processing & Support | USD 335 / billet tonne | USD 233 / billet tonne |
| Power Cost | USD 145 / billet tonne | USD 135 / billet tonne |
| General & Administration (G&A) | USD 3 / billet tonne | USD 3 / billet tonne |
| Total Operating Cost | USD 502/ billet tonne | USD 390/ billet tonne |
| Production Data | | |
| Initial Life of Mine | 25 years | 25 years |
| Mining Rate | 1.7 Mtpa | 1.7 Mtpa |
| Total crusher feed mined | 41.6 Mt | 41.6 Mt |
| Fe (Average) | 46.7 % | 46.7 % |
| Contained Fe | 19.4 Mt | 19.4 Mt |
| Scrubbing Fe Yield | 51% | 51% |
| Metallurgical Recovery (Hot Metal: Scrubbed Ore Contained Fe) | 93% | 93% |
| Metal from external scrap (total scrap to billet ratio) | 33% | 33% |
| Average Annual Steel Billet Production | 500,000 t | 500,000 t |
| Total steel billets produced over 25 years | 12,325,000 t | 12,325,000 |

Table 1: Initial 25 Year Project Summary

Fastmarkets – Market Feasibility Study

The Company released to the ASX (20 June 2022) the findings of the Fastmarkets-Market Feasibility study commissioned in February 2022 for the Agbaja Integrated Steel Project.

The Market Feasibility Study made the following general observations:

- Economic growth in Nigeria and other African nations is accelerating after the Covid-19 pandemic brought slowdowns and recessions in 2020 and 2021.
- Oil prices have recovered strongly after the weakness of the last 24 months and are holding up, which will see investment in new energy projects.
- The Nigerian elections are due in early 2023. Until then, activity will be slowed, but when the new Ministers are in place, they are likely to initiate projects involving substantial construction that should in turn further increase the demand for steel.
- Rates of construction growth, the major market for steel long products, are forecast to rise at an average of 4.6% per annum in the years to 2030, with civil engineering construction growing at a slightly faster 5.1% per annum.
- Billet demand is expected to exceed the previous high of 2014 and reach 2.07 million tonnes by 2024, when Kogi Iron's integrated steel project is due to commence.
- In its base case, Fastmarkets forecasts a long-term average billet price of US\$1,024/tonne ex-works Nigeria/delivered duty paid (ddp) Lagos in nominal terms over the period 2023 to 2032.

Billet Pricing Forecast

With the advent of Covid-19, the Ukraine/Russia war, global supply chain disruption, increased inflation, a drop in commodity demand from China and various other significant global events there is prevailing global economic uncertainty.

Fastmarkets forecast of Nigerian steel pricing is based on several drivers:

- Input costs
- International prices
- Nigerian demand outlook
- Balance between Nigerian steel supply and demand

The Company requested Fastmarkets to provide information on a number of demand/pricing scenarios:

Base Case:

The base case price forecast uses *Fastmarkets' current assessment of future market fundamentals* and raw materials price development. With the arrival and ramp up of Kogi Iron's operation in circa 2024, Nigerian buyers will effectively have another source of material for the production of rebar – produced from Kogi Iron's billet. At the planned 500 ktpa production level, domestic Nigerian steel plants will be able to reduce their reliance on imported billet product. That is production from Kogi's potential integrated steel billet project will compliment rather than replace, existing domestic rebar production.

High Case:

In the **high case**, the economic growth lifts noticeably. A combination of stimulus programmes and recovery after the Ukraine-Russia war sees increased spending globally. Building out the 'net-zero' economy adds to the demand for new vehicles and infrastructure. The result is a strong increase in oil prices and stronger demand for steel, which pushes up steel prices.

Low Case:

In the **low case**, economic growth falls following a drop in energy demand. This is reflected in both lower steel scrap and oil prices. With so much of Nigerian GDP associated with the oil industry, weaker oil prices apply downward pressure on economic growth. Overall, steel consumption contracts 1% for each year 2022-2024. Under these circumstances, domestic producers would have to compete for market share, depressing prices for all producers, including Kogi.

Fastmarkets' forecasts that the billet price in 2032 would be US\$1,258/tonne (ex-works Nigeria/ddp Lagos) in nominal terms under the base case, and US\$997/tonne and US\$1,444/tonne under the low- and high-case, respectively.

Plant Sizing Supports Import Replacement Market

At the time of preparing the 2018 Fastmarkets study, Kogi Iron was planning a facility with nameplate capacity of 1.5 Mtpa. Given the size of Nigerian demand, export markets or replacement of local production would have been substantially needed to place all the Agbaja production. The current plant design now scales that back to 0.5 Mtpa capacity and suggests all production can be reasonably placed in Nigeria i.e. replacing billet imports, with exports not necessary. This confirms the scope and size of the plant and the capital expenditure basis that was included in the 2021 Scoping Study Report.

Environmental

As previously reported the Company has submitted a revised Environmental Impact Assessment plan (EIA).

In April 2022 the Nigerian Federal Ministry of Environment convened a panel review meeting on the environment impact assessment on the proposed steel billet project on the Agbaja plateau, Kogi State by KCM mining limited.

The meeting was well attended by the Community. The company is not aware of any matters preventing the final approval of the EIA.

Financial**September 2022 General Meeting**

Following the General Meeting held on 16 September 2022, a total of 14,500,000 fully paid ordinary shares at \$0.008 per share, raising \$116,000, and 119,749,999 listed KFEOP options were issued (comprising 7,250,000 Tranche 2 Placement Options to Directors (or their nominees) pursuant to Resolutions 4 and 5 of the General Meeting, 97,874,999 Tranche 1 Placement Options pursuant to Resolution 2 of the General Meeting and 14,625,000 SPP Options pursuant to Resolution 3 of the General Meeting, subsequent to the end of the quarter on 4 October 2022.

Conclusion of Institutional Investment

On 7 September 2022, the Company announced that the Company and Diversified Metals Holdings, LLC (DMH), a US-based institutional investor, have mutually agreed to conclude the institutional investment by DMH announced to the market on 26 April 2021. Over the course of the investment, the Company repaid nearly two thirds of the total \$2.14 million investment in cash, with a nominal premium of 5%. Consequently, the investment has resulted in a minimal dilution for shareholders.

Changes to the Board of Directors

On 15 August 2022, the Company announced changes to the Board, with Non-Executive Chairman, Mr Sean Gregory stepping down, with Mr Peter Huljich becoming Non-Executive Chairman and Mr Campbell Smyth joining the board as a Non-Executive Director.

Securities Information

As at 30 September 2022, the Company had 1,617,577,756 fully paid ordinary shares on issue and 19.8M unlisted options granted at various vesting and expiration dates.

Quarterly Cash Flows

For the Quarter, the Company recorded:

- Net cash outflows from operating and Investing activities of \$487,000.
- Net cash outflows from financing activities of \$669,000 comprising of:
 - \$66,000 funds received in relation to capital raising activities;
 - \$710,000 cash repayment on the Diversified Metals Financing Facility; and
 - \$25,000 payments relating to transaction costs for capital raising activities.
- Resulting in an ending cash balance as at 30 September 2022 of \$0.36 million.

Payments to Directors of \$40,000, as noted in item 6.1 of the attached Appendix 5B, relates to Directors fees paid for the quarter.

For further information in relation to the quarterly cash flows, refer to the attached Appendix 5B.

Tenement Administration

In accordance with ASX Listing Rule 5.3.3, the details of the tenements, the location and the Company's beneficial percentage interest held in those tenements at the end of the September 2022 quarter are listed below.

Two tenements were acquired during the quarter. There were no tenements disposed of during the quarter, nor was there any farm-in or farm-out agreements entered into during the quarter.

| Federal Republic of Nigeria | | | | |
|-----------------------------|----------|--------------------------------------------------|--------------------|-------------------------------------------------------------------|
| Tenement | Location | Beneficial Interest held as at 30 September 2022 | Holder | Interest acquired/farm-in or disposed/farm-out during the quarter |
| Mining Lease 24606 | Nigeria | 100% | KCM Mining Limited | - |
| Mining Lease 24607 | Nigeria | 100% | KCM Mining Limited | - |
| Mining Lease 25376 | Nigeria | 100% | KCM Mining Limited | - |
| Mining Lease 29796 | Nigeria | 100% | KCM Mining Limited | - |
| Mining Lease 35769 | Nigeria | 100% | KCM Mining Limited | - |
| Exploration Licence 32561 | Nigeria | 100% | KCM Mining Limited | - |

| Australia* | | | | |
|-----------------------------------------------|-----------|--------------------------------------------------|-------------------------|-------------------------------------------------------------------|
| Tenement | Location | Beneficial Interest held as at 30 September 2022 | Holder | Interest acquired/farm-in or disposed/farm-out during the quarter |
| Exploration lease E08/3086 (Catho Well North) | Australia | 100% | Mining Equities Pty Ltd | - |
| Exploration lease E08/1997 (West Pilbara) | Australia | 100% | Mulga Minerals Pty Ltd | - |
| Exploration lease E08/3078 (Cane River) | Australia | 100% | Mining Equities Pty Ltd | - |
| Exploration lease E53/2031 (Wiluna West) | Australia | 100% | Peter Romeo Gianni | - |
| Exploration lease E52/3701 (Mt Padbury) | Australia | 100% | Mining Equities Pty Ltd | - |
| Application E08/3457 (Five Mile) | Australia | 100% | Mining Equities Pty Ltd | - |
| Application E47/4493 (Fig Tree) | Australia | 100% | Mining Equities Pty Ltd | - |
| Application E47/4236 (Mt Pyrtton) | Australia | 100% | Mining Equities Pty Ltd | - |
| Goldworth East Iron Ore Project E45/6248 | Australia | 100% | Kogi Iron Limited | 100% |
| Mogul VMS Project E46/1399 | Australia | 100% | Kogi Iron Limited | 100% |

*Note, the Australian tenement transfers from the current holders to Macro Metals Limited (wholly owned subsidiary of KFE) is currently in-progress as announced on 23 September 2021. Macro Metals Limited acquired a 100% interest in all of the Tenements listed in the Australian tenements table above.

This announcement is authorised for release by the Board of Directors of Kogi Iron Limited.

For further information, please contact:

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 Non-Executive Chairman
 Kogi Iron Limited
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 Email: info@kogiiron.com

About Kogi Iron (ASX: KFE)

Kogi Iron Limited owns 100% of the Agbaja Iron and Steel project located in Kogi State, Republic of Nigeria, West Africa (“Agbaja” or “Agbaja Project”). The Agbaja Project 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).

Kogi also own a portfolio of 8 iron ore projects in the Pilbara and Mid West regions of Western Australia.

Competent Persons' Statement

| Deposit | Competent Person | Employer | Professional Institute |
|-------------------------------------------------|------------------|--------------------------------|------------------------|
| Agbaja Mineral Resource | David Slater | Coffey Mining | MAusIMM(CP) MAIG |
| West Pilbara Mineral Resource | Dmitry Pertel | Formerly of CSA Global Pty Ltd | MAIG |
| Western Australian Iron Ore Exploration Results | Robert Wason | Mining Insights Pty Ltd | MAusIMM |

The information in this report that relates Exploration Results and Mineral Resources is based on the information of the Competent Persons listed in the table above. Each of the Competent Persons have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity they are undertaking to qualify as Competent Persons under the JORC Code (2012). Previously announced information is cross referenced to the original announcements. The Company is not aware of any new information or data that materially affects the information presented and that the technical parameters underpinning the estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcements.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

KOGI IRON LIMITED

ABN

28 001 894 033

Quarter ended ("current quarter")

30 September 2022

| Consolidated statement of cash flows | Current quarter \$A '000 | Year to date (3 months) \$A '000 |
|-----------------------------------------------------------|-----------------------------|----------------------------------------|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | | |
| 1.2 Payments for | | |
| (a) exploration & evaluation | (123) | (123) |
| (b) development | - | - |
| (c) production | - | - |
| (d) staff costs | (122) | (122) |
| (e) administration and corporate costs | (285) | (285) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | - | - |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Government grants and tax incentives | - | - |
| 1.8 Other (GST refunds) | 46 | 46 |
| 1.9 Net cash from / (used in) operating activities | (484) | (484) |

| | | |
|------------------------------------------------|-----|-----|
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire or for: | | |
| (a) entities | - | - |
| (b) tenements | - | - |
| (c) property, plant and equipment | (3) | (3) |
| (d) exploration & evaluation | - | - |
| (e) investments | - | - |
| (f) other non-current assets | - | - |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows | | Current quarter \$A '000 | Year to date (3 months) \$A '000 |
|--------------------------------------|-----------------------------------------------------------------------------------------|-----------------------------|----------------------------------------|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) entities | - | - |
| | (b) tenements | - | - |
| | (c) property, plant and equipment | - | - |
| | (d) investments | - | - |
| | (e) other non-current assets | - | - |
| 2.3 | Cash flows from loans to other entities | - | - |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other (provide details if material) | - | - |
| 2.6 | Net cash from / (used in) investing activities | (3) | (3) |
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | 66 | 66 |
| 3.2 | Proceeds from issue of convertible debt securities | - | - |
| 3.3 | Proceeds from exercise of options | - | - |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | (25) | (25) |
| 3.5 | Proceeds from borrowings | - | - |
| 3.6 | Repayment of borrowings | (710) | (710) |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (provide details if material) | - | - |
| 3.10 | Net cash from / (used in) financing activities | (669) | (669) |
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 1,520 | 1,520 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (484) | (484) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (3) | (3) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | (669) | (669) |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Consolidated statement of cash flows | | Current quarter \$A '000 | Year to date (3 months) \$A '000 |
|---------------------------------------------|---------------------------------------------------|-------------------------------------|-------------------------------------------------|
| 4.5 | Effect of movement in exchange rates on cash held | - | - |
| 4.6 | Cash and cash equivalents at end of period | 364 | 364 |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A '000 | Previous quarter \$A '000 |
|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|--------------------------------------|
| 5.1 | Bank balances | 364 | 1,520 |
| 5.2 | Call deposits | - | - |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (provide details) | - | - |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 364 | 1,520 |

| 6. | Payments to related parties of the entity and their associates | Current quarter \$A '000 |
|-----------|-----------------------------------------------------------------------------------------|-------------------------------------|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | (40) |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | - |

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| 7. Financing facilities | Total facility amount at quarter end \$A '000 | Amount drawn at quarter end \$A '000 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------|
| <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | | |
| 7.1 Loan facilities | n/a | n/a |
| 7.2 Credit standby arrangements | n/a | n/a |
| 7.3 Other (please specify) | n/a | n/a |
| 7.4 Total financing facilities | | |
| 7.5 Unused financing facilities available at quarter end | | n/a |
| 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. | | |
| n/a | | |

| 8. Estimated cash available for future operating activities | \$A '000 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| 8.1 Net cash from / (used in) operating activities (item 1.9) | (484) |
| 8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | - |
| 8.3 Total relevant outgoings (item 8.1 + item 8.2) | (484) |
| 8.4 Cash and cash equivalents at quarter end (item 4.6) | 364 |
| 8.5 Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 Total available funding (item 8.4 + item 8.5) | 364 |
| 8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3) | 0.75 |
| <i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i> | |
| 8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions: | |
| 8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? | |
| Answer: Yes, the Company expects that it will continue to have negative operating cash flows for the time being. | |
| 8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? | |
| Answer: Yes, the Company intends on undertaking a capital raising during the December 2022 quarter which is intended to be provide funding for operating and general working capital purposes for a period of 6-12 months. Kogi Iron has demonstrated a track record of successfully raising cash via share placements and share purchase plans to fund its operations and has full capacity under ASX Listing Rule 7.1 and 7.1A to issue further equity as and when required. | |

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, the Company expects to be able to continue its operations and meet its business objectives on the basis that it expects to be able to secure funding as described in the answer to Question 2 above.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 October 2022.....

Authorised by: By the Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.