

26 February 2016

KOGI IRON LIMITED

SHARE PURCHASE PLAN

Kogi Iron Limited (“Kogi” or “the Company”) (ASX: KFE) is pleased to announce a Share Purchase Plan (SPP), providing existing shareholders with an opportunity to increase their holdings in the Company as it advances the development of field furnace testing in South Africa to validate laboratory work relating to lifting ore quality to a level suitable for steel production

Under the SPP, eligible shareholders will be able to purchase additional fully paid ordinary shares in Kogi (“New Shares”) at an issue price of 1.3 cents per New Share. This price equates to a 13% discount to the last traded price of 1.5 cents (25 February 2016) and a 15% discount to the VWAP for the last 5 trading days. Shareholders who are recorded on the share register as at 25 February 2016 with a registered address in either Australia or New Zealand will be eligible to participate in the SPP.

Under the SPP, each eligible shareholder will be entitled to apply for up to \$15,000 of New Shares without incurring brokerage or transaction costs.

All New Shares issued under the SPP will rank equally with existing ordinary shares of the Company. Full details of the SPP including acceptance forms are expected to be sent to shareholders on 1 March 2016.

The SPP is expected to close on 18 March 2016 and is not subject to shareholder approval. Directors who are eligible shareholders have indicated their intention to participate in the SPP.

Use of Funds

The funds raised through the SPP will be used towards completing the bankable feasibility study by mid-2016 for construction of a demonstration plant.

The study will also cover a detailed economic program for capital construction and infrastructure requirement associated with the plant; marketing opportunities; and appropriate working capital requirements including the necessary staffing.

Board of Directors
Kogi Iron Limited

ENDS