

**KOGI IRON LIMITED**

**ACN 001 894 033**

**NOTICE OF ANNUAL GENERAL MEETING**

**AND**

**EXPLANATORY MEMORANDUM**

**IMPORTANT INFORMATION**

*This is an important document that should be read in its entirety.  
If you do not understand it you should consult your professional advisers without delay.*

*If you wish to discuss any aspect of this document with the Company please contact  
Mr Kevin Hart on telephone (+61 8) 9316 9100.*

The Annual Report is available online at [www.kogiiron.com](http://www.kogiiron.com)

**KOGI IRON LIMITED**  
**ACN 001 894 033**

## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the Annual General Meeting of the Shareholders of Kogi Iron Limited will be held at The Celtic Club, 48 Ord Street West Perth WA at 11.00am (WST) on 15<sup>th</sup> November 2016 to conduct the following business and to consider, and if thought fit, to pass the following Resolutions.

### **AGENDA**

#### **ORDINARY BUSINESS**

#### **FINANCIAL & OTHER REPORTS**

To receive and consider the financial report for the year ended 30 June 2016 and the accompanying Directors' Report, Directors' Declaration, and Auditor's Report.

#### **RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT**

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

*“That the Remuneration Report that forms part of the Directors' Report for the financial period ended 30 June 2016, be adopted.”*

The Remuneration Report is set out in the Directors' Report in the Annual Report. Please note that the vote on this Resolution is advisory only and does not bind the Directors or the Company.

#### **Voting Exclusion**

In accordance with sections 250R and 250BD of the Corporations Act 2001, the Company will disregard any votes cast on this Resolution by any Key Management Personnel (“KMP”) and a closely related party of a KMP. However, the Company need not disregard a vote if it is cast by a KMP or a closely related party of a KMP as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by a chairperson of the Meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides, or it is cast by a chairperson of the Meeting as proxy for a person who is entitled to vote, the proxy is undirected and the proxy form expressly authorises the chairperson to vote the proxy on this Resolution.

KMPs and their closely related parties will commit an offence under the Corporations Act if they vote in relation to this Resolution in breach of the voting restrictions.

#### **RESOLUTION 2 – RE-ELECTION OF DR IAN BURSTON AS A DIRECTOR**

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

*“That Dr Ian Burston, having retired in accordance with clause 13.2 the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company with immediate effect.”*

#### **RESOLUTION 3 – RE-ELECTION OF MR MICHAEL TILLEY AS A DIRECTOR**

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

*“That Mr Michael Tilley, appointed on 8<sup>th</sup> July 2016 as Director, having retired in accordance with clause 13.4 the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company with immediate effect.”*

#### **RESOLUTION 4 - RATIFICATION OF PLACEMENT SHARE ISSUE – 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 purpose of Listing Rule 7.4, and for all other purposes, Shareholders ratify the issue of 36,400,000 Shares on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person (and any associates of such person) who participated in the issue. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

#### **RESOLUTION 5 - RATIFICATION OF LISTED OPTION ISSUE – 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 purpose of Listing Rule 7.4, and for all other purposes, Shareholders ratify the issue of 12,012,000 Listed options to acquire ordinary shares on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person (and any associates of such person) who participated in the issue. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

#### **RESOLUTION 6 - RATIFICATION OF SHARE ISSUE TO BERGEN GLOBAL OPPORTUNITY FUND, LP – 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 purpose of Listing Rule 7.4, and for all other purposes, Shareholders ratify the issue of 13,792,527 Shares on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person (and any associates of such person) who participated in the issue. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

#### **RESOLUTION 7 – APPROVAL OF ISSUE OF OPTIONS TO BERGEN GLOBAL OPPURTUNITY FUND, LP – 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 purpose of Listing Rule 7.4, and for all other purposes, approval is given for the Company to issue 9,800,000 Options on the terms and conditions set out in the Explanatory Statement”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person (and any associates of such person) who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed.

However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

**RESOLUTION 8 – APPROVAL OF ISSUE OF SHARES TO BERGEN GLOBAL OPPORTUNITY FUND, LP – 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 purpose of Listing Rule 7.4, and for all other purposes, approval is given for the Company to issue further shares to Bergen Global Opportunity Fund, LP and/or its nominee(s) under the Agreement on the terms and conditions set out in the Explanatory Statement”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person (and any associates of such person) who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

**SPECIAL BUSINESS**

**RESOLUTION 9 - APPROVAL OF 10% PLACEMENT FACILITY**

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

*“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed by Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person (and any associates of such person) who may participate in the 10% Placement Facility and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

**DATED THIS 12 October 2016  
BY ORDER OF THE BOARD**

**KEVIN HART  
COMPANY SECRETARY**

**Notes:****Definitions**

Terms which are used in this Notice and which are defined in Section 11 of the Explanatory Memorandum have the meanings ascribed to them therein.

**Note**

If you have recently changed your address or if there is any error in the name and address used for this notice please notify the Company Secretary. In the case of a corporation, notification is to be signed by a director or company secretary.

**Proxies**

A Shareholder who is entitled to vote at this Meeting has a right to appoint a proxy and should use the proxy form enclosed with this notice. The proxy need not be a Shareholder of the Company and can be an individual or a body corporate.

A body corporate appointed as a Shareholder's proxy may appoint a representative to exercise any of the powers the body may exercise as a proxy at the Meeting. The representative should bring to the Meeting evidence of this appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

A Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, section 249X of the Corporations Act will take effect so that each proxy may exercise half of the votes (ignoring fractions).

A proxy's authority to speak and vote for a Shareholder at the meeting is suspended if the Shareholder is present at the meeting.

The proxy form must be signed and dated by the Shareholder or the Shareholder's attorney. Joint Shareholders must each sign.

Proxy forms and the original or a certified copy of the power of attorney (if the proxy form is signed by an attorney) must be received by:

- Post to the Company, c/- Link Market Services Limited, Locked Bag A14, Sydney South, NSW 1235; or
- on facsimile number (+61 2) 9287 0309; or
- by hand delivery to Link Market Services Limited, 1A Homebush Bay Drive, Rhodes NSW 2138; or
- lodge online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) instructions as follows:

Select 'Investor & Employee Login' and enter Kogi Iron Limited or the ASX code KFE in the Issuer name field, your Security Reference Number (SRN) or Holder Identification Number (HIN) (which is shown on the front of your proxy form), postcode and security code which is shown on the screen and click 'Login'. Select the 'Voting' tab and then follow the prompts. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website

not later than 11.00am (WST) on 13 November 2016.

Pursuant to regulation 7.11.37 of the Corporations Regulations, the Board has determined that the shareholding of each Shareholder for the purposes of ascertaining the voting entitlements for the Meeting will be as it appears in the share register at 11 am (WST) on 13 November 2016.

**Bodies Corporate**

A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at meetings of a company's shareholders. The appointment may be a standing one.

Unless the appointment states otherwise, the representative may exercise all of the powers that the appointing body could exercise at a meeting or in voting on a resolution.

The representative should bring to the Meeting evidence of his or her appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

## **EXPLANATORY MEMORANDUM**

This Explanatory Memorandum forms part of a Notice convening the Annual General Meeting of Shareholders of Kogi Iron Limited to be held at The Celtic Club at 11.00 am (WST) on 15<sup>th</sup> November 2016. This Explanatory Memorandum is to assist Shareholders in understanding the background to and the legal and other implications of the Notice and the reasons for the Resolutions proposed. Certain terms used in the Notice and Explanatory Memorandum are defined in Section 11.

### **1. FINANCIAL AND OTHER REPORTS**

As required by section 317 of the Corporations Act, the financial report for the year ended 30 June 2016 and the accompanying Directors' Report, Directors' Declaration and Auditor's Report will be laid before the Meeting.

Neither the Corporations Act nor the Company's Constitution requires a vote on the reports. However, Shareholders will have an opportunity to ask questions about the report at the Annual General Meeting. Shareholders will also be given a reasonable opportunity to ask the Auditor questions about the auditor's report and audit conduct. Written questions may be submitted 5 business days prior to the Meeting addressed to the Chairman and sent to the Company's registered office, about the management of the Company, or addressed to the Company's auditor and sent to the Company's registered office about audit conduct, accounting policies used by the Company and auditor independence. General questions about the management of the Company will also be taken.

### **2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

As required by the Corporations Act, the Board is presenting the Remuneration Report to Shareholders for consideration and adoption by a non-binding vote. The Remuneration Report contains:

- information about Board Policy for determining the nature and amount of remuneration of the Company's Directors and senior executives;
- a description of the relationship between remuneration policy and the Company's performance;
- a summary of performance conditions, including a summary of why they were chosen and how performance is measured against them; and
- remuneration details for each executive and non-executive Directors, and Key Management Personnel.

The Remuneration Report, which is part of the 2016 Annual Report, has been sent to Shareholders (except those who have made an election not to receive the Annual Report). Copies of the 2016 Annual Report are available by contacting the Company's Share Registry or visiting the Company's web site ([www.kogiiiron.com](http://www.kogiiiron.com)).

The Meeting presents an opportunity to discuss the Remuneration Report for Shareholders who are interested in doing so. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

Shareholders are informed that under recent reforms to the Corporations Act, if 25% or more of the vote on this Resolution are against adopting the Remuneration Report, the Company will be required to consider and report to Shareholders in the next Remuneration Report on what action is proposed to be (if any) or has been taken in response to Shareholder concerns, and if no action is proposed to be taken, the Board's reasons for this.

Shareholders also need to be aware that as a result of the legislation which became effective on 1 July 2011 a "two strikes" process will apply to the results of voting in relation to this Resolution. This means that if the resolution proposing adoption of the Remuneration Report receives a "no" vote of over 25% of votes cast by those attending in person or by proxy and permitted to vote, at two successive annual general meetings, then at the Company's 2017 annual general meeting, an extra

resolution must be put to the meeting proposing that another general meeting should be held within 90 days of the second annual general meeting. A simple majority of over 50% of the votes cast at the 2017 annual general meeting is required to pass this extra resolution. If the resolution is passed, within 90 days another general meeting must be held at which all the Directors, except the Managing Director and any new Directors appointed since the date of the 2016 annual general meeting, will be required to resign and offer themselves for re-election. These provisions are colloquially referred to as the “two strikes rule” and the “spill resolution” to be put to the “spill meeting”.

If at the spill meeting, the resolutions are all passed against re-electing the relevant Directors, the legislation includes a mechanism to ensure the Board continues with the statutory required minimum of 3 Directors. After the Managing Director, the remaining two positions will be filled by the Directors whose re-election resolutions at the spill meeting received the highest percentage of votes in favour of re-election. If the number of votes is the same for two Directors, the Managing Director and any other Director whose re-election has been confirmed at this spill meeting, can choose who is to become the third Director, with such appointment to be confirmed by shareholders at the 2018 annual general meeting. The ramifications of this mechanism being invoked include that the Company would not be in compliance with its corporate governance policies as a result of not having three independent directors on the Company’s audit committee or any other committees requiring independent directors.

Furthermore, depending on the outcome of voting at the subsequent annual general meeting, Shareholders may be obliged to consider a resolution to requiring the full Board (excluding the Managing Director) to seek re-election.

The Chairman intends to vote all available proxies in favour of adopting the Remuneration Report. If the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1, by signing and returning the proxy form the Shareholder is considered to have provided the Chairman with express authorisation for the Chairman to vote the proxy in accordance with the Chairman’s intentions.

### **3. RESOLUTION 2 - RE-ELECTION OF DR IAN BURSTON AS A DIRECTOR**

Resolution 2 deals with the re-election of Dr Ian Burston who retires by rotation as required by the Company’s Constitution and the Listing Rules and being eligible, has offered himself for re-election.

Dr Burston has more than 30 years of experience in Western Australian and international iron ore mining and export sale where he has held executive management and Board positions with some of WA’s largest and most successful mining operations. His distinguished career includes the development of several multi-million tonnes per year iron ore export operations with outstanding track records in maximising production, transport efficiencies and project development.

Dr Burston has also held pivotal roles in industry associates and local government and was awarded Citizen of the Year (Industry and Commerce) 1992, Member of the Order of Australia (General Division) 1993, and Honorary Doctor of Science (Curtin) 1995. He is a Fellow of the Institute of Engineers of Australia, the Institute of Mining and Metallurgy and the Institute of Company Directors.

All the Directors except for Dr Ian Burston recommend that Shareholders vote in favour of Resolution 2.

The Chairman intends to vote all available proxies in favour of Resolution 2.

### **4. RESOLUTION 3 - RE-ELECTION OF MR MICHAEL TILLEY AS A DIRECTOR**

Resolution 3 deals with the re-election of Mr Michael Tilley who retires as required by the Company’s Constitution Clause 13.4 and the Listing Rules and being eligible, has offered himself for re-election. Mr Tilley was appointed to the Board on 6<sup>th</sup> July 2016.

Mr Michael Tilley is the Chairman and a founding director of Terrain Capital Limited. He has worked in the accounting and finance industries for more than 40 years and he has a broad range of senior advisory and project management experience in all facets of corporate finance.

Mr Michael Tilley is or has previously served as Director of Yarra Valley Water Limited, a member of Vision Super Pty Ltd and the Industry Fund Management Pty Ltd Investor Advisory Board. He has also

served on the boards of a number of exploration and mining companies during his long career and was a director of North Queensland Metals 2006-2010. He currently serves on the board of Elysium Resources Limited.

All the Directors except for Mr Michael Tilley recommend that Shareholders vote in favour of Resolution 3.

The Chairman intends to vote all available proxies in favour of Resolution 3.

## **5. RESOLUTION 4 - RATIFICATION OF PLACEMENT SHARE ISSUE – LISTING RULE 7.1**

### **Background**

On 11<sup>th</sup> May 2016, the Company announced that it completed a placement of 36,400,000 ordinary shares to institutional and sophisticated investors at an issue price of \$0.015 to raise approximately \$546,000 (before costs). The Company issued the Shares under its placing capacity pursuant to listing rule 7.1 and 7.1A. Ratification of the issue is sought by Resolution 4.

### **Listing Rules Chapter 7**

Listing Rule 7.1 provides that without Shareholder approval, a company must not issue or agree to issue new equity securities constituting more than 15% of its total issued capital within a 12 month period (excluding any issue of equity securities approved by Shareholders and other various permitted exceptions which are not relevant for current purposes).

Listing Rule 7.4 allows an issue of securities made without the approval of shareholders to be ratified by shareholders, in order to refresh the Placement Capacity, provided that, at the time the issue was made, the issue was made within the Company's existing Placement Capacity.

By ratifying the issue of the Shares the subject of Resolution 4, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, and the 10% placement capacity under Listing Rule 7.1A, without the requirement to obtain prior Shareholder approval.

### **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 the ratification of the issue of Shares the subject of Resolution 4:

- (a) 36,400,000 Shares were issued at an issue price of \$0.015 per Share;
- (b) The Shares 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;
- (c) The Shares were issued to investors who were eligible to be made offers without disclosure under an exemption under section 708 of the Corporations Act.
- (d) The funds raised from the issue (being in total \$546,000 (before costs)) will fund further expansion and development of the Agbaja project.

The Chairman intends to vote all available proxies in favour of Resolution 4.

## **6. RESOLUTION 5 - RATIFICATION OF LISTED OPTION ISSUE – LISTING RULE 7.1**

### **Background**

On 17 June 2016, the Company confirmed allotment and issue of 12,012,000 listed options to corporate advisors of the Company. The Options are exercisable by the payment of \$0.08 on or before expiry on 31 May 2017.

The Option terms are set out in Appendix B.



## **Listing Rules Chapter 7**

Listing Rule 7.1 provides that without Shareholder approval, a company must not issue or agree to issue new equity securities constituting more than 15% of its total issued capital within a 12 month period (excluding any issue of equity securities approved by Shareholders and other various permitted exceptions which are not relevant for current purposes).

Listing Rule 7.4 allows an issue of securities made without the approval of shareholders to be ratified by shareholders, in order to refresh the Placement Capacity, provided that, at the time the issue was made, the issue was made within the Company's existing Placement Capacity.

By ratifying the issue of the Options, which are the subject of Resolution 5, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

### **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 the ratification of the issue of Shares the subject of Resolution 5:

- (a) The total number of Options issued was 12,012,000;
- (b) The Options were issued to a corporate advisor of the Company;
- (c) The Options were issued for nil cash consideration and are exercisable by payment of 8 cents on or before 31 May 2017;
- (d) The Corporate Advisor is not a related party of the Company;
- (e) The Options were issued as consideration for services. No funds were raised from the issue as the Options were issued for nil in cash consideration.

The Board recommends that Shareholders vote in favour of Resolution 5.

The Chairman intends to vote all available proxies in favour of Resolution 5.

## **7. RESOLUTION 6 - RATIFICATION OF SHARE ISSUE TO BERGEN GLOBAL OPPORTUNITY FUND, LP – LISTING RULE 7.1**

### **Background**

On 10<sup>th</sup> October 2016, the Company announced that it completed a private placement agreement with Bergen Global Opportunity Fund, LP ("**Bergen**") for up to USD5,800,000 to fund the ongoing development of its iron ore mine and integrated steel project in Nigeria.

The key terms of the Agreement and the Company's reasons for entering into the Agreement are set out in the Company's announcement to the ASX on the 10<sup>th</sup> October 2016.

Under the agreement, the Company has issued 4,800,000 shares to Bergen to secure its obligations under the Agreement (Collateral Shares) and paid a commencement fee USD116,000 satisfied through the issue of 8,992,527 shares (Commencement Fee Shares), in connection with the entry into the facility under the Agreement.

Resolution 6 seeks shareholder ratification of the issue of the shares listed above to Bergen.

### **Listing Rules Chapter 7**

Listing Rule 7.1 provides that without Shareholder approval, a company must not issue or agree to issue new equity securities constituting more than 15% of its total issued capital within a 12 month period (excluding any issue of equity securities approved by Shareholders and other various permitted exceptions which are not relevant for current purposes).

Listing Rule 7.4 allows an issue of securities made without the approval of shareholders to be ratified by shareholders, in order to refresh the Placement Capacity, provided that, at the time the issue was made, the issue was made within the Company's existing Placement Capacity.

By ratifying the issue of the Shares the subject of Resolution 6, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, and the 10% placement capacity under Listing Rule 7.1A, without the requirement to obtain prior Shareholder approval.

#### **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 the ratification of the issue of Shares the subject of Resolution 6:

- (a) The Company issued 8,992,527 Commencement fee Shares and 4,800,000 Collateral Shares
- (b) The Commencement shares were issued at \$0.0169 per share and reflects a fee equivalent to USD116,000. The Collateral shares were issued for nil consideration;
- (c) The Shares 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 Shares were issued to Bergen;
- (e) The Commencement fee shares were issued in consideration for the establishment of the facility pursuant to the Agreement and the Collateral shares were issued to secure the Company's obligations under the Agreement. Accordingly no funds were raised from the issue of these shares.

The Board recommends that Shareholders vote in favour of Resolution 6.

The Chairman intends to vote all available proxies in favour of Resolution 6.

### **8. RESOLUTION 7 – APPROVAL OF ISSUE OF OPTIONS TO BERGEN GLOBAL OPPURTUNITY FUND, LP – LISTING RULE 7.1**

#### **8.1 General**

On 10<sup>th</sup> October 2016, the Company announced that it had agreed terms for a placement of shares for up to USD5,800,000 (before costs) with Bergen Global Opportunity Fund LP. Under the agreement, Bergen, subject to shareholder approval, will be granted 9,800,000 options with a term of 3 years to acquire ordinary shares in the Company at an exercise price of \$0.0305.

The Option terms are set out in Appendix A.

Listing Rule 7.1 provides that without Shareholder approval, a company must not issue or agree to issue new equity securities constituting more than 15% of its total issued capital within a 12 month period (excluding any issue of equity securities approved by Shareholders and other various permitted exceptions which are not relevant for current purposes).

The Company's proposed issue of the Options that are the subject of Resolution 7 falls within this requirements as none of the exceptions apply. The Company is seeking shareholder approval to issue the new Options so that they are excluded for the purposes of calculating the Company's 15% Placement Capacity.

#### **8.2 Technical Information required by Listing Rule 7.5**

Listing Rule 7.5 requires that the following information be provided to shareholders for the purpose of obtaining shareholder approval for Resolution 7 pursuant to Listing Rule 7.4:

- (a) the total number of Options to be issued is 9,800,000;
- (b) the Options will be issued to Bergen or their nominee/s;
- (c) the Options will be issued for nil cash consideration and are exercisable by payment of \$0.0305 within 3 years from date of issue;
- (d) the option holder is not a related party of the Company;
- (e) no funds will be raised from the issue as the Options are to be issued for nil in cash consideration.

The Board recommends that Shareholders vote in favour of Resolution 7.

The Chairman intends to vote all available proxies in favour of Resolution 7.

## **9. RESOLUTION 8 – APPROVAL OF ISSUE OF SHARES TO BERGEN GLOBAL OPPORTUNITY FUND, LP – LISTING RULE 7.1**

### **9.1 General**

Over a period of 24 months from the date of the Agreement USD50,000 of Shares, which may be increased to USD250,000 by mutual consent, will be purchased by Bergen from the Company, on an approximately monthly basis subject to compliance with the terms of the Agreement.

Resolution 8 seeks shareholder approval for the issue of Shares to Bergen, which will be purchased in tranches by Bergen on an approximately monthly basis over a period of three months from the date of the Meeting in accordance with the Agreement, in accordance with Listing Rule 7.1

The key terms of the Agreement and the Company's reasons for entering into the Agreement are set out in the Company's announcement to the ASX on the 10<sup>th</sup> October 2016.

### **9.2 Listing Rule 7.1**

Listing Rule 7.1 provides that without Shareholder approval, a company must not issue or agree to issue new equity securities constituting more than 15% of its total issued capital within a 12 month period (excluding any issue of equity securities approved by Shareholders and other various permitted exceptions which are not relevant for current purposes).

The Company's proposed issue of the Shares that are the subject of Resolution 8 falls within this requirements as none of the exceptions apply. The Company is seeking shareholder approval to issue the new Shares so that they are excluded for the purposes of calculating the Company's 15% Placement Capacity.

### **9.3 Specific information required by Listing Rule 7.3**

Listing Rule 7.3 sets out a number of items which must be included in a notice of meeting proposing an approval under Listing Rule 7.1. For the purposes of Listing Rule 7.1, the following information is provided to the shareholders:

- a) it is not possible to determine the maximum number of Shares that may be issued prior to the date of the Meeting as this will depend on the purchase price (see paragraph (c) below) and the Australian dollar equivalent amount of the number of Shares to be issued will be determined by dividing the Australian dollar equivalent amount of the relevant tranche amount (USD50,000 per month and up to USD250,000 per month with mutual consent of the parties), by the purchase price (summarised in paragraph (c) below) as notified by Bergen;
- b) the Company will issue the Shares no later than three months after the date of the Annual General Meeting;
- c) the Shares will be issued at a price equal to 90% of the average of five daily volume-weighted average prices (VWAP's) of the Company's Shares quoted on the ASX (chosen by Bergen) during a specified period immediately prior to the date of the issuance of the shares, unless Bergen elects to utilise the Price B option in which case it will be equal to 135% of the average of the daily VWAPs per Share for the 20 trading days immediately prior to the date of execution of the Agreement;
- d) the shares will be issued to Bergen or their nominee/s;
- e) the shares will be fully paid ordinary shares in the capital of the Company and rank equally in all respects with the existing Shares on issue;
- f) the purpose of the issue is to fund the Company's operational expenses and the ongoing development of its Agbaja iron ore mine and integrated steel project in Nigeria;

- g) the issue of Shares will occur progressively.

The Board recommends that Shareholders vote in favour of Resolution 8.

The Chairman intends to vote all available proxies in favour of Resolution 8.

## **10. RESOLUTION 9 – APPROVAL OF 10% PLACEMENT FACILITY**

### **10.1 General**

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (“**10% Placement Facility**”). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is now seeking shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 10.2(c) below).

The primary purpose for the 10% Placement Facility is to enable the Company to raise additional capital without additional regulatory impediments and to pursue possible future investment opportunities that may arise.

The Directors of the Company believe that Resolution 9 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

### **10.2 Description of Listing Rule 7.1A**

#### **(a) Shareholder approval**

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

#### **(b) Equity Securities**

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue one class of quoted Equity Securities, being Shares (having the ASX code KFE).

#### **(c) Formula for calculating 10% Placement Facility**

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

**A** is the number of shares on issue 12 months before the date of issue or agreement:

- (A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (B) plus the number of partly paid shares that became fully paid in the 12 months;
- (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (D) less the number of fully paid shares cancelled in the 12 months.

*Note that A is has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.*

- D is 10%
- E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

**(d) Listing Rule 7.1 and Listing Rule 7.1A**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 465,862,342 Shares and has a capacity to issue:

- (i) 145,945 Equity Securities under Listing Rule 7.1; and
- (ii) 41,566,981 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 10.1 (c) above).

**(e) Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

**(f) 10% Placement Period**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX ("**10% Placement Period**").

**10.3 Listing Rule 7.1A**

The effect of Resolution 9 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 9 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

**10.4 Specific information required by Listing Rule 7.3A**

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days, on which trades in those securities were recorded, immediately before:
  - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
  - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

- (b) If Resolution 9 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in Table A (below). There is a risk that:
- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
  - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset.

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

Table A shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (ii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

**TABLE A**

Variable "A" in Listing Rule 7.1A.2		Dilution		
		\$0.013 50% decrease in issue price	\$0.026 Issue price	\$0.052 100% increase in issue price
<b>Current Variable "A"</b> 465,862,342 Shares	<b>10% voting dilution</b>	46,586,234 shares	46,586,234 shares	46,586,234 shares
	<b>Funds raised</b>	\$605,621	\$1,211,242	\$2,422,484
<b>50% Increase in current Variable "A"</b> 698,793,513 Shares	<b>10% voting dilution</b>	69,879,351 shares	69,879,351 shares	69,879,351 shares
	<b>Funds raised</b>	\$908,432	\$1,816,863	\$3,633,726
<b>100% Increase in current Variable "A"</b> 931,724,684 Shares	<b>10% voting dilution</b>	93,172,468 shares	93,172,468 shares	93,172,468 shares
	<b>Funds raised</b>	\$1,211,242	\$2,422,484	\$4,844,968

**The table has been prepared on the following assumptions:**

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (ii) No Options (including any Options under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities.
- (iii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example at 10%.

- (iv) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Capacity, based on that Shareholder's holding at the date of the Meeting.
  - (v) The table shows only the effect of the issue of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
  - (vi) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes the issue of Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
  - (vii) The Issue Price is \$0.026, being the closing price of Shares on ASX on 6 October 2016.
  - (viii) The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or without approval under Listing Rule 7.1.
  - (ix) The Company has not issued Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or without approval under Listing Rule 7.1, and the total number of Shares on issue and approved or deemed approved at the date hereof for the purpose of Listing Rule 7.1 is 465,862,342.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 6 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) non-cash consideration for the acquisition of the new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
  - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new assets or investments.

- (e) The Company has obtained Shareholder approval under Listing Rule 7.1A at its 2015 Annual General Meeting.

The Company has not issued any Equity Securities under Listing Rule 7.1A during the preceding 12 months..

During the preceding 12 month period a total of 89,192,506 Ordinary Shares and 12,012,000 Listed options, being the existing class of quoted securities, were issued; which based on the number of Equity Securities currently on issue comprises 19.15% of the Company's Shares. Information relating to the issue of Equity Securities in the preceding 12 months is set out in Table B below.

**TABLE B**

<b>Date of Appendix 3B</b>	<b>Number of Equity Securities</b>	<b>Class of Equity Securities and summary of terms</b>	<b>Names of recipients or basis on which recipients determined</b>	<b>Issue price of Equity Securities and discount to Market Price<sup>1</sup> on the trading day prior to the issue</b>	<b>If issued for cash – the total consideration, what it was spent on and the intended use of any remaining funds If issued for non-cash consideration – a description of the consideration and the current value of the consideration</b>
11 April 2016	38,999,979	Fully paid Ordinary Shares	Issued to shareholders participating in the Share Purchase Plan	\$0.013	Total consideration received was \$507,000. The funds raised are for the purposes of progressing the Company's development of its Agbaja iron ore project. At the date of this notice there are no remaining funds.
18 May 2016	36,400,000	Fully paid Ordinary Shares	Issued to sophisticated investors	\$0.015	Total consideration received was \$546,000. The funds raised are for the purposes of progressing the Company's development of its Agbaja iron ore project. At the date of this notice there is approximately \$250,000 remaining of these funds.
17 June 2016	12,012,000	Listed options exercisable for \$0.08 on or before 31 May 2017	Issued to a corporate advisor	These options were issued for nil consideration. The market price of Listed options on the day prior to issue was \$0.02	Options issued to corporate advisors of the Company in consideration of services rendered.
10 October 2016	13,792,527	Fully paid Ordinary Shares	Issued to Bergen Global Opportunity Fund, LP	These shares were issued in settlement of commencement fee and to secure the share purchase agreement. The market price on the day prior to issue was \$0.025	These shares were not issued for cash but were issued to secure the Share Purchase agreement with the Investor. The current value of this issue is \$ 275,850.



- (f) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

The Board believes that the Additional 10% Placement Facility is beneficial for the Company as it will give the Company the flexibility to issue further securities representing up to 10% of the Company's share capital during the next 12 months. Accordingly, the Board unanimously recommends that Shareholders approve Resolution 9.

The Chairman intends to vote all available proxies in favour of Resolution 9.

## 11. DEFINITIONS

In this Notice and Explanatory Memorandum:

**"10% Placement Facility"** has the meaning given to it in Section 10.1;

**"10% Placement Period"** has the meaning given to it in Section 10.2(f);

**"ASIC"** means the Australian Securities and Investments Commission;

**"ASX"** means ASX Limited ACN 008 624 691;

**"Bergen"** means Bergen Global Opportunity Fund, LP

**"Board"** means the board of Directors;

**"Business Day"** has the meaning given to it in the Listing Rules;

**"Chairman"** means the chairman of the Board;

**"Company"** means Kogi Iron Limited (ACN 001 894 033);

**"Constitution"** means the constitution of the Company;

**"Corporations Act"** means the Corporations Act 2001 (Cth);

**"Director"** means a director of the Company;

**"Equity Securities"** has the same meaning as in the Listing Rules;

**"Explanatory Memorandum"** means this Explanatory Memorandum;

**"Listing Rules"** means the official listing rules of the ASX;

**"Notice"** and **"Notice of Meeting"** means the notice of meeting to which this Explanatory Memorandum is attached;

**"Official List"** means the official list of ASX;

**"Resolution"** means a resolution set out in this Notice;

**"Schedule"** means a schedule to this Notice and Explanatory Memorandum;

**"Section"** means a section of this Explanatory Memorandum;

**"Share"** means an ordinary fully paid ordinary share in the capital of the Company and **"Shareholder"** has a corresponding meaning;

**"Trading Day"** has the meaning ascribed to that term in the Listing Rules;

**"WST"** means Western Standard Time.

## **APPENDIX A – TERMS AND CONDITIONS OF OPTIONS TO BERGEN GLOBAL OPPURTUNITY FUND, LP**

### **1.1 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.

### **1.2 Exercise of Options**

An Option holder may exercise any of its Options at any time after their grant and prior to the date that is thirty six (36) months after the date the Options are issued by delivery of:

- (a) a copy of a duly executed Option exercise form substantially in the form of Annexure A (the *Exercise Form*), to the Company on any Business Day; and
- (b) payment of an amount equal to the Option Exercise Price of \$0.0305 multiplied by the number of Shares in respect of which the Options are being exercised at the time.

### **1.3 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 1.2(b) (ii), the Company must issue the Shares 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.

### **1.4 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.

### **1.5 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.

### **1.6 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.

### **1.7 Cumulative adjustments**

Full effect must be given to the provisions of clauses 1.4 to 8.6, 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.

**1.8 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.

**1.9 No right to participate in new issues**

An Option holder cannot participate in new issues of Securities without exercising the Option.

**1.10 Assignability and transferability**


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

**1.11 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 clause **Error! Reference source not found.** 1 to 5.8 and 5.10 to 5.11 constitute part of the terms of the Options.

## APPENDIX B – TERMS AND CONDITIONS OF OPTIONS ISSUED EXPIRING 31 MAY 2017

- a) Each option entitles the holder to acquire one Share in the Company.
- b) The Company will apply for quotation of the Options
- c) The Options may be exercised at any time on or before 5.00pm (WST) on 31 May 2017. Each Option may be exercised by forwarding to the Company at its principle office the exercise notice, duly completed, together with payment of the sum of \$0.08 (8 cents) per Option exercised.
- d) Option holders can only participate in issue of securities provided they have first exercised their Options in which cash the Option holders shall be afforded the period of at least four business days prior to and inclusive of the Record Date (to determine entitlements to the issue) to exercise the Options.
- e) Shares issued on the exercise of Options will be issued not more than fourteen (14) days after receipt of a properly executed exercise notice and application moneys. Shares allotted pursuant to the exercise of an Options will rank equally with the then issued Shares in all respects. If the Company is listed on ASX it will, pursuant to the exercise of an Option, apply to the ASX for Quotation of the Shares issued as a result of the exercise, in accordance with the *Corporations Act* and the Listing Rules.
- f) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the option holder will be changed to the extent necessary to comply with the Listing Rules applying to the reconstruction of capital at the time of the reconstruction.
- g) If there is a bonus issue to Shareholders, the number of Shares over which the Option is exercisable may be increased by the number of Shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.
- h) In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities in the Company, the exercise price of the Options may be reduced in accordance with Listing Rule 6.22.

**LODGE YOUR VOTE** **ONLINE**  
[www.linkmarketservices.com.au](http://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: +61 1300 554 474**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 above by **11:00am (WST) on Sunday, 13 November 2016**, 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 using the reply paid envelope or:

 **ONLINE**

[www.linkmarketservices.com.au](http://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) as shown on the reverse of this Proxy Form).

**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, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

**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" should 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](http://www.linkmarketservices.com.au).

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

# PROXY FORM

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

STEP 1

## 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

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 Annual General Meeting of the Company to be held at **11:00am (WST) on Tuesday, 15 November 2016 at The Celtic Club, 48 Ord Street, West Perth WA 6005 (the Meeting)** and at any postponement or adjournment of the Meeting.

**Important for Resolution 1:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

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

STEP 2

## 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 Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Dr Ian Burston as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
3 Re-election of Mr Michael Tilley as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
4 Ratification of Placement Share Issue – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5 Ratification of Listed Option Issue – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6 Ratification of Share Issue to Bergen Global Opportunity Fund, LP – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
7 Approval of Issue of Options to Bergen Global Opportunity Fund, LP – Listing Rule 7.1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8 Approval of Issue of Shares to Bergen Global Opportunity Fund, LP – Listing Rule 7.1	<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.

STEP 3

## 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).

