

8 December 2017

## **KOGI IRON LIMITED – TESTWORK PROGRAM UPDATE**

Kogi Iron Limited (ASX: **KFE**, “**Kogi**”, “the **Company**”) is pleased to advise that the bulk sample of iron ore from its Agbaja Iron Project in Nigeria has arrived at the Mintek Pilot Plant Laboratory in South Africa to undergo a sequential testwork flowsheet developed by Kogi for the pilot scale demonstration of the production of billet steelmaking iron (also known as high-quality merchant pig iron).

As previously reported, the scope of the proposed testwork program includes beneficiation, smelting and converting, and is to be conducted by Mintek, a global leader in mineral processing and pyro-metallurgy. The work will also include de-agglomeration testing to be conducted by Haver Southern Africa. Pelletising, firing and pre-reduction testwork (if required) will be conducted by Torex at their facilities in Russia.

Mintek proposes to demonstrate the smelting of a pre-determined blend of lumpy and fine Agbaja iron ore concentrate using a 200 kVA electric arc furnace with a feed rate of 1 ton per day and converting of the pig iron using an induction furnace that operates in a batch mode with the capacity of 20 kg per batch.

Tenova Pyromet and SGS Bateman are supervising the program, providing technical support and assisting Kogi with the development of the flowsheet.

The aim of the test work is to definitively confirm the flow sheet for the treatment of Kogi ore to steel billets. There is significant demand both within Nigeria as well as internationally for this product. The outcome from this test work will be used to define the final design criteria to complete the DFS and ultimately to finalise both debt and equity funding for the Project.

Key recent activities include:

- Transfer of the bulk sample of iron ore from the port at Durban, South Africa to the Mintek Pilot Plant Laboratory
- Unloading, storing and sorting the bulk sample of iron ore
- Progressing of moisture analysis of the iron ore
- Sample selection for analysis of mineralogy and optimal crushing size to determine the most appropriate crushing regime and kiln design
- The appointment by Kogi of its own manager, based in South Africa, to monitor the testwork program and costs, as well as providing regular feedback to the Board of Directors.

Some photos of the bulk sample and activities are provided on the following page.



36 bulk bags of crushed ore stacked and temporarily stored in crusher plant



Screen undersize discharge (- 30 mm) and typical appearance of ore sample inside bulk bag



Blending of bulk ore sample

The Company will continue to update shareholders as and when new significant information and results come to hand.

For more information, please contact:

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**About Kogi Iron (ASX: KFE)**

Kogi Iron Limited is a Perth-based company with the objective of becoming an African iron ore and steel producer through the development of its 100% owned Agbaja iron ore and steel project located in Kogi State, Republic of Nigeria, West Africa ("Agbaja" or "Agbaja Project").

Nigeria has substantial domestic demand for steel products, which is currently met largely through imports. The Agbaja project, located about 200km south of the Nigerian capital Abuja, opens the opportunity for domestic production of pig iron products.

The Company holds a land position which covers a large part of the Agbaja Plateau. The Agbaja Plateau 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). This mineral resource covers approximately 20% of the prospective plateau area within ML24606 and ML24607.

Table 1 – Summary Grade Tonnage for Laterite (Zone A) and Oolitic (Zone B) Horizons (20% Fe lower cut off is applied) Refer ASX announcement 10 December 2013.

Classification	Tonnes (Mt)	Fe (%)
<b>Zone A (Laterite Mineralisation)</b>		
Indicated	147.5	33.2
Inferred	33.9	31.7
Total Indicated + Inferred (Zone A)	181.4	32.9
<b>Zone B (Oolitic Mineralisation)</b>		
Indicated	318.7	45.2
Inferred	86.3	44.7
Total Indicated + Inferred (Zone B)	405.0	45.1
<b>Combined Zone A and Zone B</b>		
Total Indicated	466.2	41.4
Total Inferred	120.1	41.1
Total Indicated + Inferred	586.3	41.3

The Company confirms that it is not aware of any information or data that materially affects the information included in the original market announcements and, in the case of estimated Mineral Resources, which all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.