

17 August 2018

TESTWORK PROGRAM PROGRESS UPDATE

Kogi Iron Limited (ASX: KFE, “Kogi”, “the Company”) is pleased to report on the progress of testwork associated with the commercialisation of the Agbaja Cast Steel Project in Kogi State, Nigeria.

Kogi has received notice from Tenova (a world leading metals and mining consultant which has been overseeing the bulk sample testwork programme) confirming they have been able to successfully produce “a beneficiated iron ore concentrate suitable for the production of pig iron and a refined metal with a grade and composition suitable for the production of billet.”

Tenova further added “We have not discovered any issues that would materially affect the economic viability of the project moving to the next phase.”

Tenova are currently writing up the formal report of their findings which Kogi expects to receive in the coming weeks.

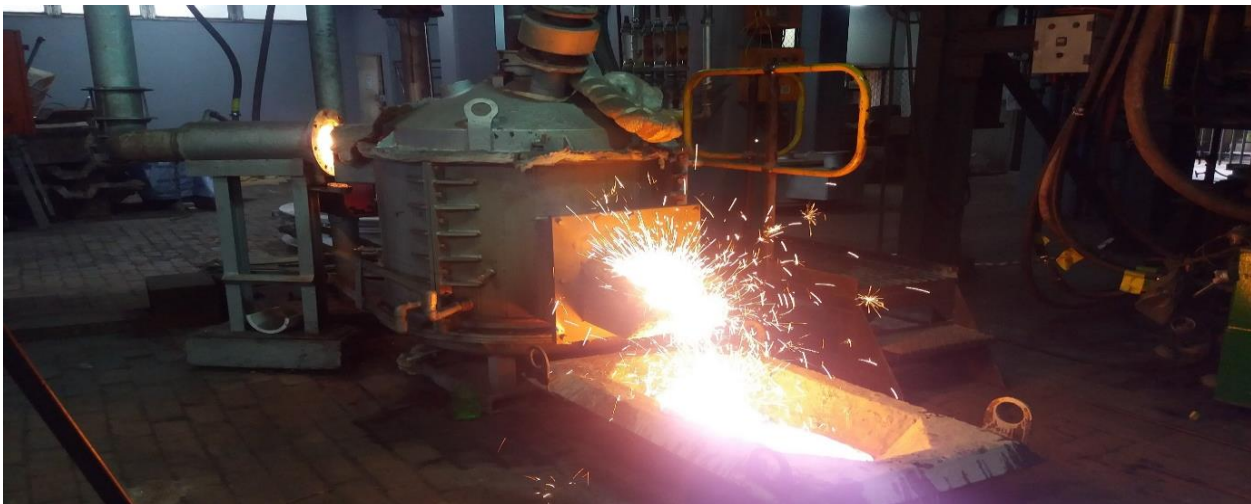


Figure 1 – Cast Steel product being poured at the Tenova Mintek facility in South Africa – Source - Tenova

Kogi is now in a position to advance the project and progress the financing of the construction of the Agbaja Cast Steel Project.

To this end Kogi anticipates that it will soon be able to announce progress on the appointment of an independent consultant to assess the steel import and consumption market in Nigeria and other rapidly developing regions of West Africa.

<p>KFE Capital Summary Ordinary Shares: 651,343,370 Share price: \$0.155 Market capitalisation: \$101m</p>	<p>Board of Directors Dr Ian Burston – <i>Non Executive Chairman</i> Mr Martin Wood – <i>Chief Executive Officer</i> Mr Don Carroll – <i>Non Executive Director</i> Mr Michael Tilley – <i>Non Executive Director</i></p>	<p>Contact Unit 23, 4 Ventnor Avenue, West Perth WA 6005 Tel : +61 8 9200 3456 Email: info@kogiiron.com W: www.kogiiron.com</p>
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With the positive completion of the testwork program, Kogi looks forward to continuing with the Definitive Feasibility Study (“DFS”) and announcing progress with potential off-takers, cornerstone investors and project lending banks.

The successful completion of the testwork program will allow both the optimisation of the process for the efficient conversion on a commercial scale of the ore from the Agbaja iron ore deposit to a cast steel product and the completion of detailed capital and operating cost estimates. The DFS for the Project will include both the Mine (which is effectively completed) and the Cast Steel Plant.



Figure 2 – Bulk sample ore being prepared at the Tenova Mintek facility in South Africa – Source – Tenova

Dr Ian Burston – Chairman of Kogi and Martin Wood, CEO, jointly commented “We are excited to have such a positive notice from our consultants and look forward to receiving the formal written reports which will enable us to give further details to our shareholders.”

The Company will continue to provide shareholders with updates as and when further results and reports are received.

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 a producer of cast steel product that can be sold to manufacturers of steel products through the development of its 100% owned Agbaja Cast 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 on the Agbaja plateau approximately 15km northwest of Lokoja city in Kogi State and approximately 200km southwest of Abuja, the capital city of Nigeria, opens the opportunity for domestic production of steel billets.

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 (%)
Zone A (Laterite Mineralisation)		
Indicated	147.5	33.2
Inferred	33.9	31.7
Total Indicated + Inferred (Zone A)	181.4	32.9
Zone B (Oolitic Mineralisation)		
Indicated	318.7	45.2
Inferred	86.3	44.7
Total Indicated + Inferred (Zone B)	405.0	45.1
Combined Zone A and Zone 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.