

4 December 2018

UPDATE TO SHAREHOLDERS – INFORMATION ON THE AGM AND CORPORATE ACTIVITY

Dear Fellow Shareholders,

The purpose of this update is to give our shareholders a brief update on the recent AGM held on 27 November 2018, and an update on the progress the Company has made recently in developing, with its 100% owned subsidiary KCM Mining Limited in Nigeria, the Agbaja Cast Steel Project.

AGM Outcome

Shareholders will be aware from the recent ASX announcement that a number of resolutions at the AGM were either withdrawn or did not receive sufficient votes to be passed. Shareholders should be assured that none of these items will have a material impact on the running of the Company or the development of the Agbaja Cast Steel Project. I would like to take this opportunity to thank Mr. Ian Whitely (a long-time shareholder of Kogi Iron Limited) for publicly stating his support for the incumbent Directors and for his appeal to all shareholders present for unity going forward.

The board of Kogi Iron intends to work to ensure that all shareholders take comfort that the board is united in its objective to deliver the Project, and to focus on continuing to progress the considerable work that has been delivered to date. This work program and objectives are set out in this newsletter.

New Board Member

While we are sad to see Michael Arnett leave us, we are delighted to welcome Greg Boulton to the Board. Mr Boulton brings a wealth of corporate governance and company operational experience to the table and will be a great asset to the shareholders as we develop our project and pivot from a development to a construction and production company.

Project Progress

Much has been achieved in recent months. Metal Bulletin was recently appointed to carry out an independent market survey of demand for our product in Nigeria, West Africa and to some extent globally. The desk top element of this work is complete and our CEO, Martin Wood, and our Project Manager in KCM, Alabi Samuel, recently escorted a Metal Bulletin consultant on a visit to Nigeria to meet a range of potential off takers and industry related parties. We await the completion of that study in due course.

KFE Capital Summary Ordinary Shares: 654,871,213 Share price: \$0.10 Market capitalisation: \$65m	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> Mr Greg Boulton – <i>Non-Executive Director</i>	Contact Unit 23, 4 Ventnor Avenue, West Perth WA 6005 Tel : +61 8 9200 3456 Email: info@kogiiron.com W: www.kogiiron.com
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Positive results for the metallurgical work and the confirmation of the suitability of our coal supply have been major steps forward for the Company which have made it appropriate for us to engage consultants like Metal Bulletin as the Company enters the next phase of development.

In summary, the now completed testwork campaign has not discovered any issues that would materially affect the economic viability of the project and the board remains very positive about the project and achieving the various goals we have set.

Shareholders wishing to be kept up to date with the progress of the project are urged to visit our website - www.kogiiron.com and go to 'Investors' then 'Latest News' then 'Subscribe to News'.

I thank all our shareholders for their support over many years and request that this continues as we progress the project in the coming months.

Yours sincerely

KOGI IRON LIMITED

Ian Burston

Chairman

Further information on Kogi is available on the Company's website at www.kogiiron.com or please contact:

Kogi Iron Limited

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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.