

QUARTERLY REPORT – JUNE 2019

Australian based iron ore development company, Kogi Iron Limited (ASX: KFE) (“Kogi”, “Kogi Iron”, or the “Company”) and its 100% owned Nigerian operating company, KCM Mining Limited (“KCM”) presents the quarterly activity report for the three months ended 30 June 2019.

Key activities by the Company during the quarter were:

MARKET STUDY UPDATE

The Company provided an update and additional insight into the Market Study from Fastmarkets MB (“Fastmarkets”). Full details of this update can be found in Kogi’s ASX announcement dated 6 June 2019.

CORPORATE

During the quarter, the Company completed an entitlement offer to eligible shareholders for 132,328,948 New Listed Options raising \$1,323,289 (before costs). Kogi received acceptances in respect of 87,444,899 New Listed Options (66%) totaling approximately \$874,449 with the shortfall of 44,884,049 New Listed Options (\$448,840) taken-up in accordance with the Underwriting Agreement. The money raised will provide working capital funding whilst it arranges further funding required to complete the Definitive Feasibility Study for the Agbaja Cast Steel Project in Nigeria.

The quarter has seen the addition to the Board of non-executive directors David Turvey and Peter Huljich with Michael Tilley resigning.

Furthermore, Martin Wood will be resigning as Managing Director effective 5th August, 2019. David Turvey will assume the role of Managing Director on a short-term basis while a search is conducted for a new CEO.

During the quarter, the Company announced the creation of a Remuneration & Nomination Committee and a Finance Committee, both to be chaired by non-executive director Peter Huljich. The Finance Committee will be responsible for identifying and securing the funding required for the completion of the detailed engineering and technical program for the development of the Agbaja Project. The Company also announced the appointment of Dr Ian Burston, Mr Kevin Joseph and Mr Ian Whiteley as advisors to assist in progressing the Agbaja Cast Steel Project. All have extensive experience in Africa, and Nigeria in particular, and have had a long association with the Project from its inception. Dr Burston is also a director of KCM Mining.

At the end of the quarter, the Company had cash at bank of \$1,427,000.

KFE Capital Summary Ordinary Shares: 663,548,234 Listed Options: 142,328,948 Share price: \$0.06 Market capitalisation: \$39m	Board of Directors Mr Don Carroll – <i>Non-Executive Chairman</i> Mr Martin Wood – <i>Managing Director</i> Mr Greg Boulton AM – <i>Non-Executive Director</i> Mr David Turvey – <i>Non-Executive Director</i> Mr Peter Huljich – <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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As at 30 June 2019 the Company had 661,644,742 fully paid ordinary shares and 87,444,899 Listed Options on issue. The 44,884,049 shortfall Listed Options were issued on 3rd July 2019.

MINERAL TENEMENTS

As at 30 June 2019, the following mineral tenements were held by KCM. All of the mineral tenements are located in the Federal Republic of Nigeria and KCM has a 100% interest in each tenement:

Mining Lease 24606	Exploration Licence 14847
Mining Lease 24607	Exploration Licence 28784
Mining Lease 25376	

For more information, please contact:

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 Email: info@kogiiron.com

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 referred to in this announcement and, in the case of estimated Mineral Resources, all material assumptions and technical parameters underpinning the estimates in the relevant market announcement 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.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

KOGI IRON LIMITED

ABN

28 001 894 033

Quarter ended ("current quarter")

30 JUNE 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(135)	(1,191)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(177)	(1,575)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	7
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(311)	(2,759)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares/options	874	1,450
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(17)	(74)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – advance proceeds for shortfall options issued post 30 June 2019	449	449
3.10	Net cash from / (used in) financing activities	1,306	1,825

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	432	2,361
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(311)	(2,759)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,306	1,825
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,427	1,427

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	1,427	182
5.2 Call deposits	-	250
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,427	432

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	26
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Payments to related party of director for reimbursement of overseas office and support costs incurred.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	190
9.2 Development	-
9.3 Production	-
9.4 Staff costs	520**
9.5 Administration and corporate costs	300
9.6 Other – transaction costs related to issues options	220
9.7 Total estimated cash outflows	1,230*

* Estimated cash outflows include discretionary expenditure that will only be incurred if the directors are comfortable there are sufficient cash reserves available for these and future costs. The Company is currently evaluating capital raising alternatives for its planned activities with further details to be provided as soon as these plans have been completed.

**Includes a director fee and CEO remuneration that were unpaid at 30 June 2019.

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	n/a	n/a	n/a	n/a
10.2 Interests in mining tenements and petroleum tenements acquired or increased	n/a	n/a	n/a	n/a

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
(Company secretary)

Date: 31 July 2019

Print name: Kevin Hart

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.