

17 December 2019

## **FOURTH AFRICAN IRON ORE MINING LEASE GRANTED TO AUSTRALIA’S KOGI IRON**

A fourth African iron ore mining lease has been granted to Australia’s Kogi Iron Limited (ASX: KFE) (“Kogi”, “Kogi Iron” or the “Company”) as the Company progresses towards a planned Feasibility Study next year on a fully integrated cast steel billet project in Africa’s second largest economy, Nigeria.

The Perth-based resources developer said today it was pleased to announce approval from the Mining Cadastre Office, Federal Republic of Nigeria, for Mining Lease No. 29796, to 100%-owned subsidiary, KCM Mining Limited (KCM).

The latest approval delivers Kogi Iron a contiguous total of ~145 square kilometres of four mining leases and one exploration lease at its Agbaja Plateau cast steel project in Kogi State, southern Nigeria and close to substantial domestic and export infrastructure. The project will mine leased local iron ore deposits as a feedstock for its own cast steel plant to supply to steel manufacturing and product fabricators in both Nigeria and overseas (refer Figure 1).

### **Highlights of Mining Lease No. 29796 approval:**

- **New Mining Lease approval shows effective administration in conversion and security of Kogi Iron’s African exploration and mining titles.**
- **Lease approval required evidence of satisfactory performance by Kogi Iron on Community Development Agreement and Environmental Program.**
- **Represents milestone achievement for the remote Irimi – Okpaka community area.**

Mining Lease No. 29796 grants the right for Kogi Iron to develop and operate a mine for a period of 25 years, and is renewable. This mining lease covers 15.25km<sup>2</sup> in the northeast part of the Agbaja Plateau, Lokoja District, Kogi State (refer Figure 2) and relates to the tenure previously held by the Company as Exploration License 14847.

Grant of Mining Lease No. 29796 by the Cadastre means the Company has demonstrated its commitment and progress to its Community Development Agreement and Environmental Program.

This recognition of the Company’s ongoing efforts is especially rewarding in the remote Irimi – Okpaka community.

Following this grant, KCM Mining holds a 100%-interest in Mining Leases ML 24606, ML 24607, ML 25376 and ML 29796 and retains Exploration License EL28784.

The permits provide a solid, fundamental asset base for the Company to advance evaluation and development of the Agbaja Cast Steel Project with its plans to complete a Feasibility Study during 2020.

<b>KFE Capital Summary</b> Ordinary Shares: 732,778,327 Listed Options: 142,328,948 Share price: \$0.04 Market capitalisation: \$29m	<b>Board of Directors</b> Mr Greg Boulton AM – <i>Non-Executive Chairman</i> Mr David Turvey – <i>Managing Director</i> Mr Don Carroll – <i>Non-Executive Director</i> Mr Peter Huljich – <i>Non-Executive Director</i>	<b>Contact</b> Unit 23, 4 Ventnor Avenue, West Perth WA 6005 Tel: +61 8 9200 3456 Email: <a href="mailto:info@kogiiron.com">info@kogiiron.com</a> W: <a href="http://www.kogiiron.com">www.kogiiron.com</a>
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**Kogi Iron Managing Director, Mr David Turvey:**

*“The Company has achieved another milestone towards becoming the first integrated steel producer in Nigeria as we move forward with this ‘Project of National Significance’. I am particularly pleased with the effectiveness of administration by our local team and Government Departments.”*

Kogi Iron has been successfully advancing the project since 2016, with access to company leased iron ore deposits and nearby coal and limestone sources. Laboratory-scale tests on the Agbaja iron ore demonstrated that it could be converted to a steel feedstock suitable for electric arc furnaces. A successful Pilot Plant Test Program completed in September 2018 on a large bulk sample confirmed the feasibility of producing a marketable cast steel product, together with the development of a preliminary flowsheet for the processing of Agbaja iron ore into cast steel suitable for billet making.

**Kogi Iron has mandated UK advisory, SD Capital, and UK export finance specialist, GKB Ventures Limited, to assess and secure debt funding for the Project following previous advice on equity finance and project financing. The majority of the debt funding is expected to come from Export Credit Agency funds.**

For and on behalf of the Board

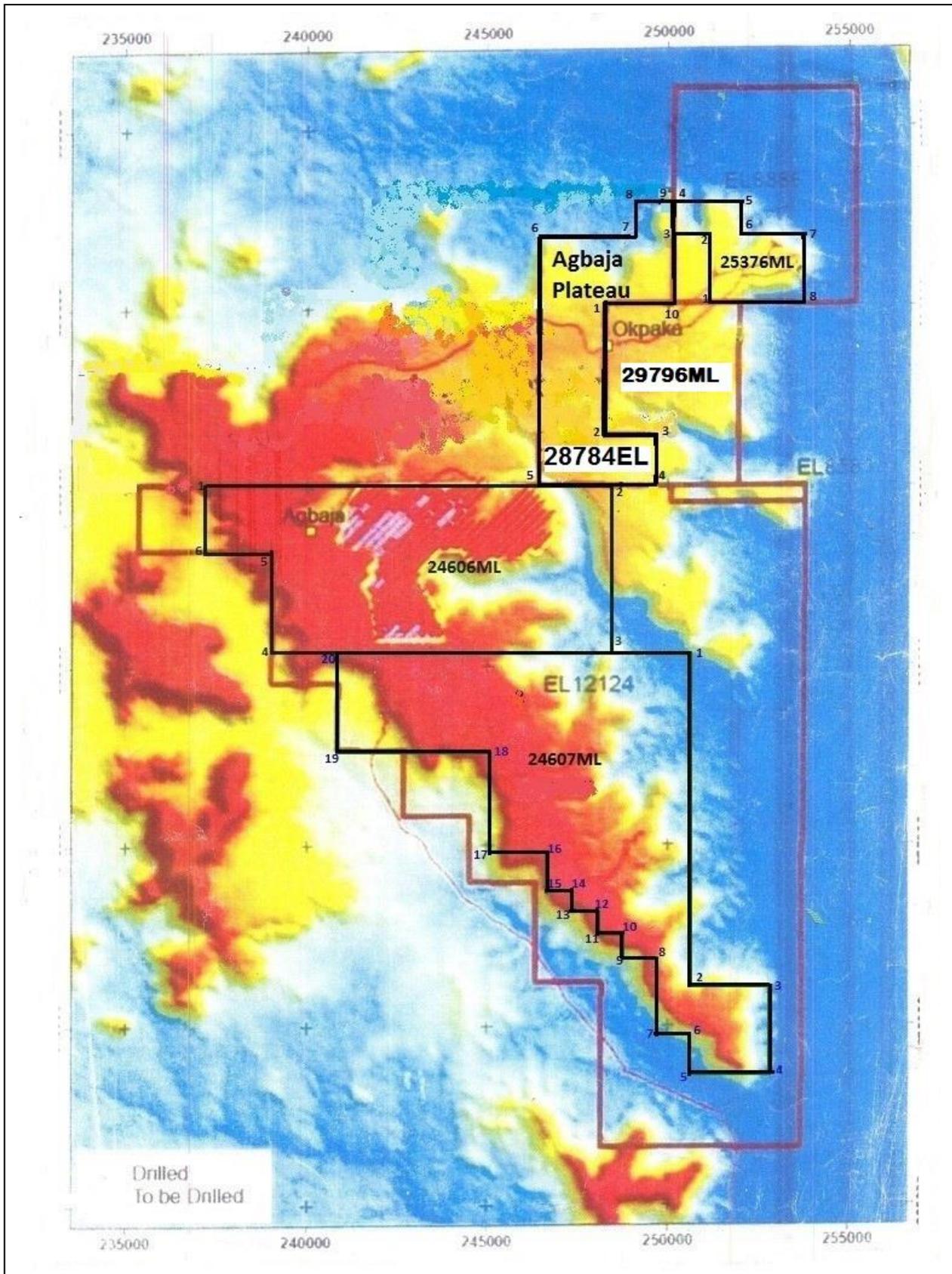
Kevin Hart  
Company Secretary

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Figure 1 – Location Plan: Agbaja Cast Steel Project. Nigeria.  
 (Note: transport infrastructure and steel fabricating plants – potential customers)



Figure 2 – Location Plan: Exploration and Mining Leases, KCM Mining Limited, Agbaja Project. Nigeria.  
(Note: red colour represents elevated topography)



### About Kogi Iron (ASX: KFE)

Kogi Iron Limited is a Perth-based company with the objective of becoming a producer of cast steel billet product that can be sold to fabricators of finished 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 of scrap steel raw materials. The Agbaja project, located on the Agbaja plateau approximately 15km northwest of Lokoja city in Kogi State and 200km southwest of Abuja, the capital city of Nigeria, opens the opportunity for domestic production of steel.

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 and Tonnage for Agbaja Iron Ore Resource**

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.