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KOGI SIMPLIFIES AGBAJA BENEFICIATION PROCESS

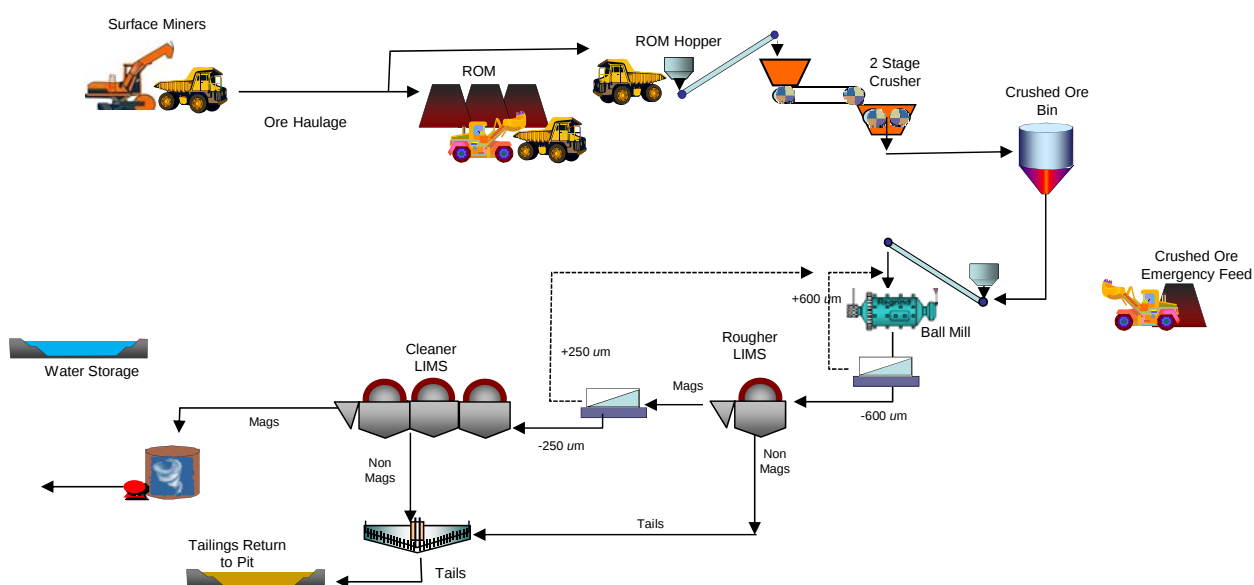
Highlights

- Simpler, lower cost beneficiation process identified for the Agbaja Iron Ore Project utilising simple wet low intensity magnetic separation ("LIMS")
- Elimination of cyclone sizing, and gravity pre-concentration which will reduce capital and operating costs
- LIMS units common in iron ore industry and involve lower operating costs

Australian based iron ore exploration and development company, Kogi Iron Limited (ASX: KFE) ("Kogi Iron" or the "Company") is pleased to announce it has identified a much simpler beneficiation process to produce a saleable product from its Agbaja Iron Ore Project located in Kogi State, Republic of Nigeria, West Africa ("Agbaja" or "Agbaja Project").

On 24 July 2013 Kogi announced that laboratory scale metallurgical testwork results had confirmed the ability to produce a saleable iron ore concentrate from Agbaja. The conceptual flowsheet previously developed contemplated a feed size reduction followed by cyclone sizing, gravity pre-concentration and wet low intensity magnetic separation to clean and re-clean concentrates to produce a final concentrate grade product.

Further testwork by Kogi has demonstrated that the beneficiation process can be further simplified by adopting only the wet low intensity magnetic separation which has no adverse impact on overall yield or recovery. Importantly, given the softness of the Agbaja ore and the coarse grind, the size reduction for beneficiation can be achieved with modest grinding power. The simplified process flow design is illustrated in the diagram below.



Kogi's Managing Director, Iggy Tan said the simplified flow sheet had a number of positive implications for the Agbaja Project.

"It is important that the Agbaja Project has a very simple beneficiation process in order to minimise future capital costs and operating costs. The Company has been successful in simplifying the process route by eliminating the requirement for cyclone sizing and gravity pre-concentration prior to the magnetic upgrade process. In addition, the Agbaja process will not require any flotation, which means a very simple, efficient and lower cost beneficiation process," Mr Tan said.

"The other benefit of the Agbaja process is that magnetic separation can be achieved efficiently by applying a wet low intensity magnetic field strength, which will help to reduce process energy costs. These LIMS units are very common in the iron ore industry, and allow for very high loading and excellent selectivity at highest recovery. This reduces the number of units required which will result in lower maintenance, lower capital and operating costs for the Agbaja Project."

Figure 1 – Typical LIMS machines used in the Iron Ore Industry



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About Kogi Iron (ASX: KFE)

Kogi Iron Limited ("Kogi Iron" or the "Company") is an ASX listed company focused on being an African iron ore producer through the development of its 100% owned Agbaja iron ore project located in Kogi State, Republic of Nigeria, West Africa ("Agbaja" or "Agbaja Project").

In recent years Nigeria has sought to diversify its economy, which is dominated by hydrocarbons, into minerals and related industries. Nigeria is the largest country by population in Africa. Nigeria had a GDP real growth rate of 7.2% in 2011, and in 2007 passed a new Mining and Minerals Act, which includes favourable fiscal terms for foreign investment in mining.

The Company holds a land position of approximately 400km² covering 15 tenements, with the main focus being EL12124 covering most of the Agbaja Plateau. The Agbaja Plateau hosts an extensive, shallow, flat-lying channel iron deposit with an Inferred Mineral Resource of 488 million tonnes with an in-situ iron grade of 42.7% reported in accordance with the JORC Code. This mineral resource comprises approximately 20% of the prospective Agbaja plateau area within EL12124. The Agbaja Project is uniquely positioned with transport infrastructure access to Warri port via an existing and underutilised standard gauge railway, and the Niger River for barging

Competent Person's Statement

The information in this announcement that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Kim Bischoff, a member of The Australasian Institute of Mining and Metallurgy. Mr Bischoff is a consultant to Kogi Iron Limited and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Bischoff consents to the inclusion in this presentation of the matters based on the information in the form and context in which it appears.