# Kogi Iron Limited (ASX: KFE)

## Agbaja Cast Steel Project, Nigeria

*Annual General Meeting, Perth 26 November 2019*


**CHAIRMAN "The Past 12 Months"**

- Corporate & Administration
- Project Milestones & Funding
  the Future

**MANAGING DIRECTOR "Next 12 Months"**

- "Project of National Significance"
- Project Funding, Spend & Timetable
- Bankable Feasibility Study (BFS)
- Community & Stakeholders


# DISCLAIMER

The purpose of this presentation is to provide **general information about Kogi Iron Limited** ("Kogi" or the "Company").
It is not recommended that any person makes any investment decision in relation to the Company based solely on this presentation.
This presentation does not necessarily contain all information which may be material to the making of a decision in relation to the Company. Any investor should make their own independent assessment and determination as to the Company's prospects prior to making any investment decision, and should not rely on the information in this presentation for that purpose.
This presentation does not involve or imply a recommendation or a statement of opinion in respect of whether to buy, sell or hold securities in the Company. The securities issued by the Company are considered speculative and there is no guarantee that they will make a return on the capital invested, that dividends will be paid on the shares or that there will be an increase in the value of the shares in the future.

This presentation contains certain statements which may constitute "forward-looking statements". Such statements are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward-looking statements. The Company does not purport to give financial or investment advice. No account has been taken of the objectives, financial situation or needs of any recipient of this document. Recipients of this document should carefully consider whether the securities issued by the Company are an appropriate investment for them in light of their personal circumstances, including their financial and taxation position.

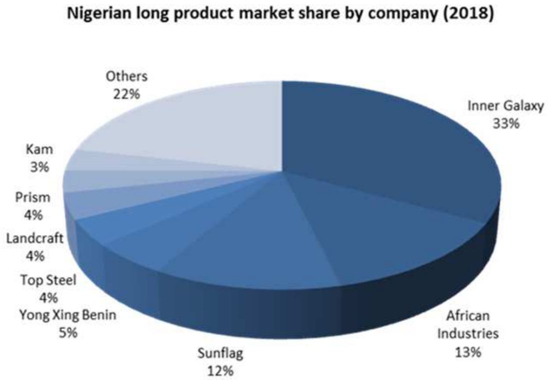
This presentation is presented for informational purposes only. It is not intended to be, and is not, a prospectus, product disclosure statement, offering memorandum or private placement memorandum for the purpose of Chapter 6D of the Corporations Act 2001. Except for statutory liability which cannot be excluded, the Company, its officers, employees and advisers expressly disclaim any responsibility for the accuracy or completeness of the material contained in this presentation and exclude all liability whatsoever (including in negligence) for any loss or damage which may be suffered by any person as a consequence of any information in this presentation or any error or omission there from. The Company accepts no responsibility to update any person regarding any inaccuracy, omission or change in information in this presentation or any other information made available to a person nor any obligation to furnish the person with any further information.

# "The Past 12 Months" : Corporate & Administration

- Revitalized and re-energized Board with NED appointments Greg Boulton and Peter Huljich
- Appointment of experienced iron ore, steel & mining industry professional as Managing Director, David Turvey.
- Increased corporate governance with formation of Audit and Governance Committee and Remuneration Committee
- Reduced cash outgoings on all activities including issue of shares in lieu of fees.
- Appointment of Ian Burston, Kevin Joseph and Ian Whiteley as Consultants to KCM.
- ***Pivotal meetings in Nigeria between KFE Directors and Nigeria's Minister for Resources and Steel Development that reinforce the major project status of KFE/KCM's Agbaja Cast Steel Project, Nigeria.***

# “The Past 12 Months” : Project Milestones and Funding the Future

KOGI IRON LIMITED




- Test work by Mintek RSA supervised by Tenova & Bateman demonstrates technical viability of producing an ”export quality” cast steel product (billets) from Agbaja Iron Ore.
- Completion of Fastmarkets steel market study with positive commentary on current and future steel billet demand in Nigeria.
- Community Development Agreement has been actioned with initial contributions to education, water & roads.
- Recent fund raising of $2.4 million as foundation for full raise of $10 million before end March 2020.
- ***Announced Share Purchase Plan (SPP) to provide opportunity for current shareholders.***

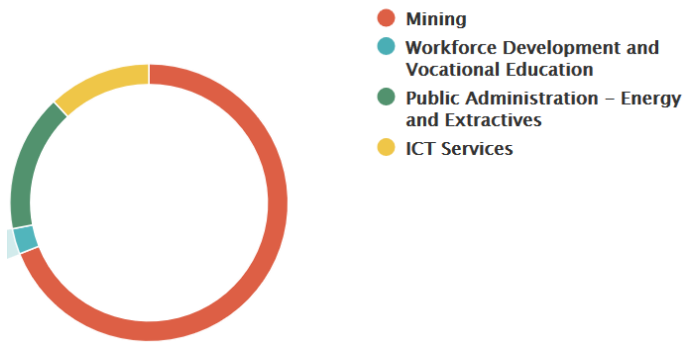
# "The Next 12 Months" for our "*Project of National Significance*"

KOGI IRON LIMITED


- Nigeria Mining Week, October'19 was a "great success". Our Agbaja Cast Steel Project was publicly recognised as a ***"Project of National Significance"*** by Nigeria's Minister of Mines and Steel Development.
- Government recognition has significantly increased KFE / KCM's profile and provides opportunity for support of the BFS, especially social infrastructure and power supply options.
- So Next => progress a Memorandum of Understanding (MoU) with Nigerian Government re commitments and shared benefits between Government and KFE/KCM.
- Crystallise Government & political support with potential funding by Development Banks (e.g. World Bank / IFC, AFC) and International Africa-focussed banks (e.g. RMB, Stanbic).
- Develop "Foreign Investment Policy "for the Agbaja Cast Steel Project similar to an Indenture Act e.g. BHP's Olympic Dam, BHP & Rio's Iron ore, early Indonesian Contracts of Work.
- Utilise local corporate advisors & lobbyists e.g. UUBO, PWC.

# "The Next 12 Months" : Project Funding, Spend & Timetable

**Nigeria: Mineral Sector Support for Economic Diversification Project (MinDiver) = US$150M to 2022 (~$100M uncommitted)**

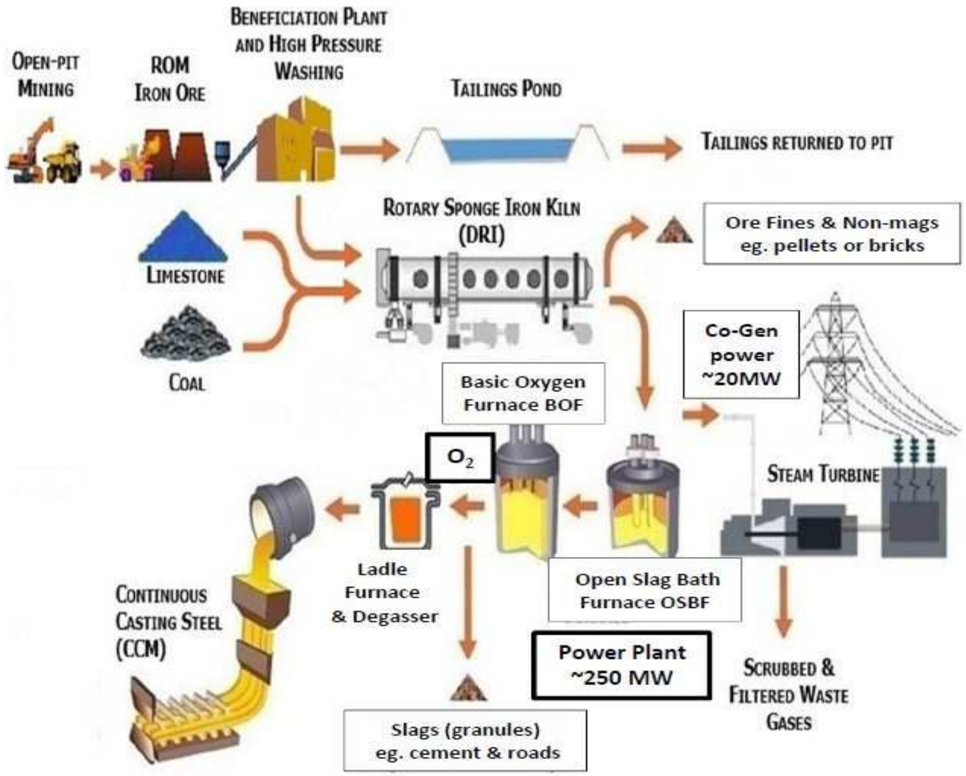


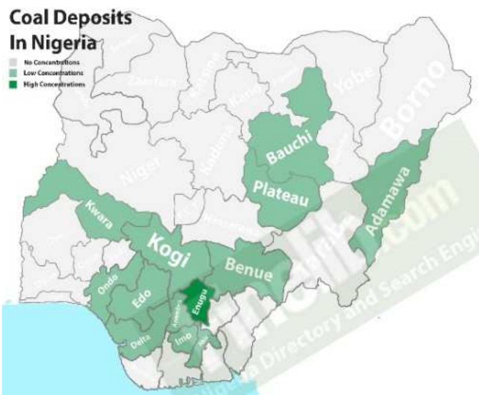

- Source equity funds from African Development Groups e.g. World Bank (MinDiver), African Finance Corp.
- Raise additional funds ~$8M for BFS + 18 months Working Capital prior to end March 2020 from international cornerstones (EU/UK, N. America, Asia).
- Progress relationship with Export Credit Agency (ECA) and agree non binding terms.

| **Estimated Spend to end December 2020:** | **A$'000** | |
|---|---|---|
| ➢ BFS Consultants re Steel Tests & Design, Power, Environment, Mining | 5,500 | |
| ➢ Capital Raising includes pre-project ECA debt financing | 1,000 | |
| ➢ Nigerian In-Country costs includes reserve drilling & mine plan | 1,800 | |
| ➢ Australian Office & Board (Admin, BFS Project Manager) | 1,300 | |
| ➢ KCM's CDA Fees, Environmental Bonds & Statutory Admin. | 400 | Total ~A$10M |

***BFS to determine process flowchart (conventional technologies), project economics, financing options and structure (% debt : equity) and development schedule (~3 years)***

# "The Next 12 Months" : Bankable Feasibility Study => Status & Scope




- Establish scopes of work and contracts with parties to conduct a Feasibility Study on KFE/KCM's Agbaja Cast Steel Project (ECA Criteria and Equator Principles).
- Appoint a BFS Project Manager.
- Specialist Consultants:
  - Steel test work to establish final steel plant design and resultant CAPEX and OPEX
  - Power Options Study
  - Iron ore evaluation to determine reserves and mine plan, inc. tailings and water management
  - Environmental especially hydrology and air quality
  - Geotechnical and civil infrastructure
- Power Options Study to identify ownership & construction partners, Capex and Opex of supply, including natural gas, coal, pumped-hydro, solar.
- Detailed domestic and regional steel market survey with customer analysis to establish market entry strategy & offtake agreements.

# "The Next 12 Months" : Community & Stakeholders


- Work closely with the Agbaja Plateau Communities and local service providers under KCM's Community Development Agreement (CDA) to assist in areas of health, education, water and infrastructure.
- Consider establishing a Community Development Trust Fund to secure Development Bank or Government Grants for mandated allocated expenditure on capacity building e.g. World Bank MinDiver Funds.
- Retain & renew Exploration and Mining Licenses plus identify other areas to supplement iron ore reserves and optimise mining operations.
- Continue monthly newsletter and informal meetings with KFE's Shareholders

***Increased communication with Stakeholders to share the growth story, develop commercial momentum and build "a culture of trust".***

# “NIGERIA - OPPORTUNITY & FUNDAMENTALS”

## *Sound Fundamentals = “That’s Why I’m Enthusiastic”*


| 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 |

**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.**

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.

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.