ASX ANNOUNCEMENT AND MEDIA RELEASE

4 March 2014

MAIDEN 205 MILLION TONNE ORE RESERVE AT AGBAJA

Highlights

- Maiden Ore Reserve of 205 Mt @ 45.7% Fe
- Ore Reserve confirms PFS assumption for an initial minimum 21 year mine plan
- Important milestone for Definitive Feasibility Study due for completion end Q4 2014

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") are pleased to detail a maiden Ore Reserve estimate for the 100% owned Agbaja Iron Ore Project located in Kogi State, Republic of Nigeria, West Africa ("Agbaja" or "Agbaja Project").

Ore Reserve Estimate

The maiden Ore Reserve estimate for the Agbaja Project ("Maiden Ore Reserve") totals 205 million tonnes at 45.7% Fe and is classified as Probable Ore Reserve (refer Table 1 below).

Table 1 – Agbaja Project Ore Reserve Summary

Classification	Ore Tonnes (Mt)	Fe (%)	SiO_2 (%)	Al_2O_3 (%)	P (%)	Mn (%)	LOI (%)
Probable	205	45.7	9.93	10.56	0.93	0.08	10.51

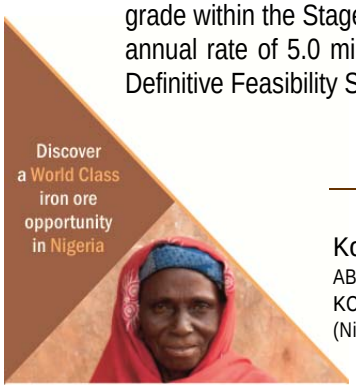
Note 1. Tonnes are expressed in dry metric tonnes

The Maiden Ore Reserve was determined in accordance with the JORC Code (2012) by Mr Harry Warries of independent, international mining consultancy, Coffey Mining Pty Ltd ("Coffey") and closely follows the 29 January 2014 announcement by the Company of a positive Preliminary Feasibility Study ("PFS") into the development of the Agbaja Project.

A detailed summary of the supporting project assumptions and data (Table 1 as per JORC (2012) guidelines) is provided in Appendix A.

Commenting on the Maiden Ore Reserve, Kogi's Managing Director Mr Iggy Tan, said: "This Ore Reserve is another important milestone in Kogi's vision to be an African iron ore producer and comes only a matter of weeks after the Company announced the very positive results from its PFS, giving us further confidence in the Agbaja Project."

"The 205 million tonne Maiden Ore Reserve re-affirms the PFS findings that there is sufficient mineable ore of requisite grade within the Stage 1 and Stage 2 mining areas at Agbaja to support economic mining and processing operations at an annual rate of 5.0 million tonnes of iron ore concentrate, for 21 years. The Maiden Ore Reserve will be the basis for a Definitive Feasibility Study ("DFS") at Agbaja, which the Company expects to complete by the end of 2014."



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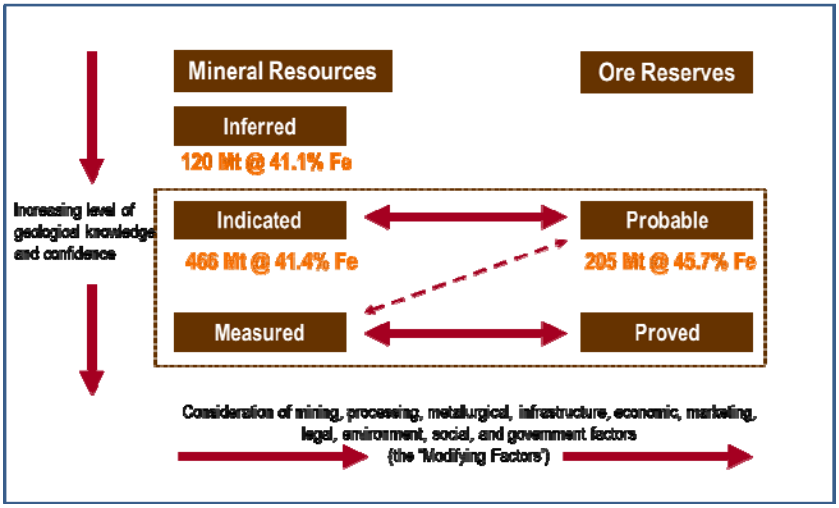
Summary of Kogi's Mineral Resource and Ore Reserves Estimates

Over the last two years the Company has been pleased to announce progressive increases in the size and geological confidence of the Agbaja Project Mineral Resource/Ore Reserve estimates, as the level of knowledge and geological understanding of the Project has grown. These announcements are summarised below:

Date of ASX Announcement	Resource/Reserve Estimation	Tonnes & Grade
28 September 2012	Maiden Resource (Inferred)	488 Mt @ 42.7% Fe
10 December 2013	Updated Mineral Resource (20% increase)	586 Mt @ 41.3% Fe
10 December 2013	Maiden Indicated Mineral Resource	466 Mt @ 41.4% Fe
27 February 2014	Maiden Ore Reserve	205 Mt @ 45.7% Fe

The general relationship between the exploration phase of the Project (Mineral Resources) and the development phase (Ore Reserves) is best illustrated by Figure 1 below, which is taken from the JORC Code (2012) and is populated with the Company's Updated Mineral Resource and Ore Reserve numbers.

Figure 1 – General relationship between Exploration Results, Mineral Resources and Ore Reserves (2012 JORC)



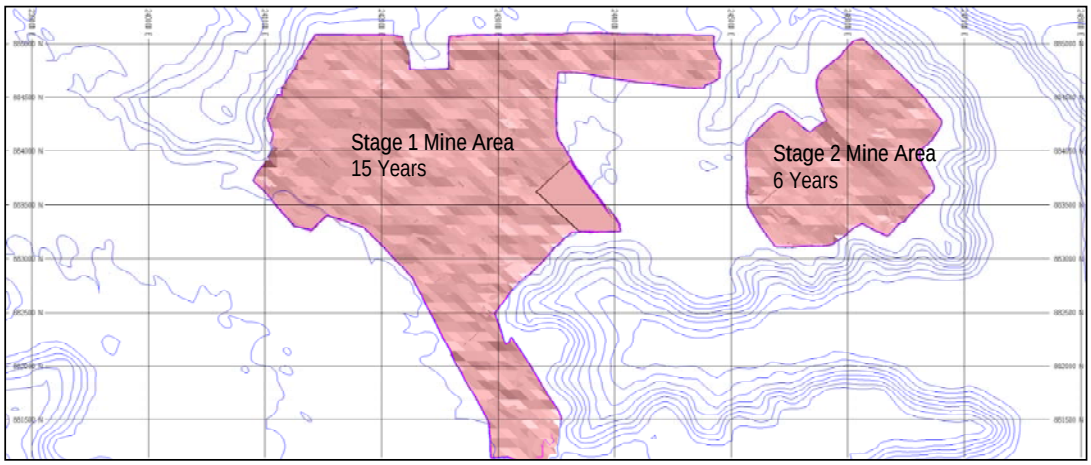
Cut-off grade

As the processing method selected by the Company for the Agbaja Project incorporates magnetic separation, the cut-off for ore determination was not based on Fe, rather, it was based on the magnetic susceptibility of the mineralised material. The magnetic susceptibility measurements identified that the boundary between magnetic and non-magnetic material is very sharp, i.e. the material is either magnetic or not. The lateritic (Zone A) horizon is non-magnetic.

A cut-off of 20 x 10 -3 SI within the Zone B (Oolite) resource was used for ore determination. It is noted that the Oolite zone was based on a nominal 30% Fe lower cut-off.

The deposit exhibits a relatively consistent ore profile that comprises a layer of lateritic material (non-magnetic and not treated at this stage of the Project) followed by a layer of oolitic material (magnetic). In addition, the deposit is relatively contiguous and readily discernible. As such, no pit optimisation was undertaken. The pit design was based on the Stage 1 and Stage 2 mining areas that exhibited the lowest waste to ore strip ratio and was sufficiently large to sustain a 21 year mine life (refer figure 2 below).

Figure 2 – Proposed Stage 1 & Stage 2 Mining Areas



Preliminary Feasibility Study (Material Assumptions and Outcomes)

In determining the Maiden Ore Reserve, Coffey undertook detailed mine planning work based on the Company's 466 million tonne Indicated Mineral Resource (refer ASX Announcement 10 December 2013) and considered various material assumptions and Modifying Factors from the PFS which are summarised in Table 2 below and discussed in more detail on pages 18 to 23 of this announcement (Appendix A – JORC Code (2012) Table 1).

Table 2 – Summary of the Material Modifying Factors applied in Ore Reserve Determination

Item	Unit	Value
Crusher feed	Mtpa	11.1
Crusher feed yield	%	45
Product rate	Mtpa	5
Product price	US$/dmt	73
Royalty (of net revenue)	%	4
Initial capital expenditure	US$M	497
Sustaining capital	US$M	144
Processing cost	US$/dmt product	13.96
Barging and transhipping	US $/dmt product	18.77
Average mining costs (Contract mining)	US $/dmt product	8.12
General and administration cost	US $/dmt product	2.13
Mining dilution	%	1
Mining recovery	%	94
Overall pit wall slope angle (inclusive of a ramp system)	degrees	40

The PFS determined that the Agbaja Project is a robust and attractive project. The payback of the Project is excellent at four years with a net present value of US$420 million (@ 12% discount) and Internal Rate of Return of 23.7%. The Project ranks in the bottom quartile for capital intensity and bottom half of operating cost curve of magnetite projects around the world. Agbaja is positioned in the most attractive cost profile and lowest capital intensity matrix quadrant (bottom left quadrant), which reflects in the overall potential and robustness of the Project.

Mining Method, Recovery, Dilution and Infrastructure

The Agbaja iron ore deposit comprises an extensive shallow (on average less than 30m) flat-lying channel iron deposit of material that is relatively soft and friable. It is proposed the deposit be mined using traditional truck/excavator open pit development which will result in a low strip ratio of 0.55 to 1 over the 21 year mine plan. The low stripping ratio is a distinct advantage for the Project and is expected to deliver relatively low mining costs, estimated in the PFS at US$3.69/t of ore feed to the processing plant, which equates to US$8.12/t of iron ore concentrate produced.

The mine plan is primarily based on Indicated Resources with 8% of the mill feed being classified as Inferred Resources. The Maiden Ore Reserve is located within the two initial mining areas (Stage 1 and Stage 2) identified during the PFS, as illustrated in Figure 2. The mine plan incorporates a two year mining ramp-up, with steady state production of 5 Mtpa of product (or 11.1 Mtpa of crusher feed based on a yield of 45%) reached in Year 3. The average total material movement (ore and waste) after Year 3 ranges from 18 Mtpa to 21 Mtpa.

In the absence of geotechnical parameters, the pit design was based on a terrace style pit wall configuration, adopting 75 degree batter angles, in conjunction with 2m high benches and 2m wide berms. Mining dilution and mining recovery was modelled by regularising the sub-blocked resource model using a selective mining unit (SMU) of 20mE x 20mN x 2mRL. The SMU resulted in a 6% ore loss and a 1% dilution in Fe grade.

As the Agbaja deposit exhibits a relatively consistent ore profile that comprises a layer of lateritic material (non-magnetic and not treated at this stage of the Project) followed by a layer of oolitic material (magnetic) and the deposit is relatively contiguous and readily discernible, no pit optimisation was undertaken and the pit design was based on an area that exhibited the lowest waste to ore strip ratio.

The primary infrastructure required for the development of the Project are: general administration and services infrastructure, general mining facilities, natural gas fired power station at site, process plant, a 22 km slurry pipeline pumping concentrate from the process plant to the river barging facility, a river barging facility which will be powered by dedicated diesel generators, a barge transfer station located some 600 km from the river barging facility where the iron ore product is transferred onto ocean going barges, and a floating transhipment storage facility where the product will be loaded onto Panamax or Cape size ships.

Mineral Resource Estimation Methodology

The Zone B (Oolite) component of the 466 million tonne Indicated Mineral Resource (which was the major portion of the Updated Mineral Resource announced by the Company on 10 December 2013) was estimated by Coffey and forms the basis for the Maiden Ore Reserve estimate (refer Table 3).

Table 3 – Updated Mineral Resource (2013) at 20% Fe cut-off

Kogi Iron – Agbaja Project Grade Tonnage for Laterite (Zone A) and Oolitic (Zone B) Horizons - December 2013 20% Fe lower cutoff is applied													
Classification	Tonnes (Mt)	Fe (%)	SiO_2 (%)	Al_2O_3 (%)	P (%)	LOI (%)	CaO (%)	K_2O (%)	MgO (%)	Mn (%)	Na_2O (%)	S (%)	TiO_2 (%)
Zone A													
Indicated	147.5	33.2	24.24	14.77	0.32	10.4	0.03	0.07	0.07	0.05	0.02	0.04	0.98
Inferred	33.9	31.7	26.15	15.04	0.30	10.3	0.04	0.07	0.07	0.04	0.01	0.04	0.98
Total Indicated + Inferred	181.4	32.9	24.60	14.82	0.31	10.4	0.03	0.07	0.07	0.04	0.02	0.04	0.98
Zone B													
Indicated	318.7	45.2	10.54	10.51	0.92	10.8	0.22	0.01	0.08	0.09	0.02	0.08	0.25
Inferred	86.3	44.7	11.25	10.73	0.87	10.8	0.13	0.01	0.07	0.07	0.01	0.05	0.26
Total Indicated + Inferred	405.0	45.1	10.69	10.56	0.91	10.8	0.20	0.01	0.08	0.08	0.02	0.07	0.25
Combined Zone A and Zone B													
Total Indicated	466.2	41.4	14.87	11.86	0.73	10.7	0.16	0.03	0.08	0.07	0.02	0.07	0.48
Total Inferred	120.1	41.1	15.45	11.95	0.71	10.6	0.11	0.03	0.07	0.06	0.01	0.04	0.46
Total Indicated + Inferred	586.3	41.3	14.99	11.88	0.72	10.7	0.15	0.03	0.08	0.07	0.02	0.06	0.48

Estimation and modelling techniques used for the Updated Mineral Resource (2013)

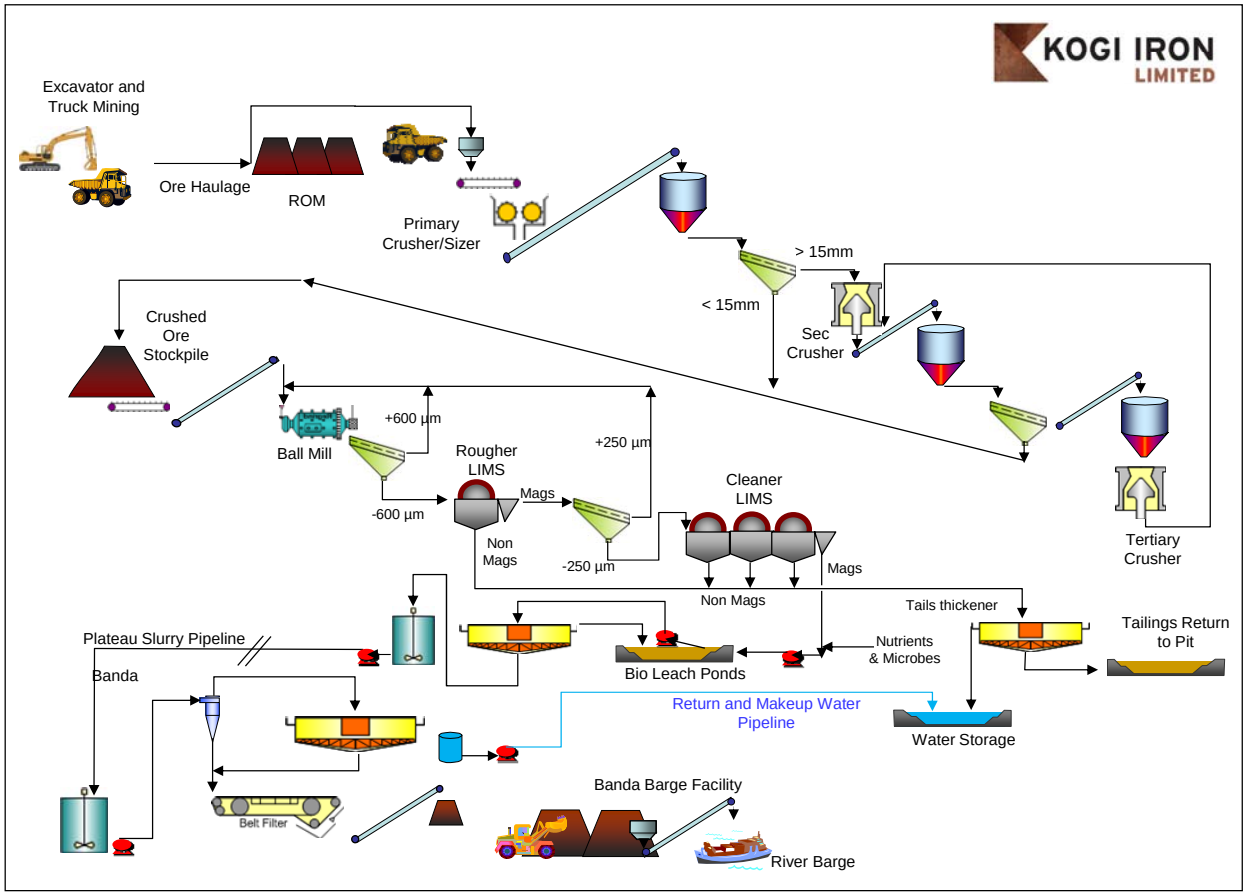
The Updated Mineral Resource was estimated using Ordinary Kriging techniques in Vulcan mining software, search parameters were based on variography carried out on the 1m composites and supported by geological knowledge gained from field mapping and drill hole data. The Updated Mineral Resource estimate was compared with the previous Coffey 2012 Resource estimate (Maiden Mineral Resource), with the differences being accounted for by extensional and infill drilling, and improved understanding of the geology and mineralisation after the 2013 field work.

The primary commodity considered in the Updated Mineral Resource estimation was Fe. A full suite of elements was also estimated (SiO_2, Al_2O_3, P, LOI, CaO, K_2O, MgO, Mn, Na_2O, S, TiO_2) with some of those elements considered to be deleterious (P, SiO_2 and Al_2O_3). The parent block size has considered the drill hole spacing and variography, as have the search parameters. The geological/mineralisation interpretation was developed for Zone A (Laterite) and Zone B (Oolite) using hard boundaries (wireframes). Selective mining units were not defined or corrected for in the Mineral Resource estimate. However, a bulk open pit mining scenario possibly using continuous miners was considered in selection of the parent block size.

Processing Method

Figure 3 below, illustrates the proposed process flow sheet for Agbaja, where a primary grind size for run-of-mine ore of 600 micron has been selected, with a final grind size at a relatively coarse 250 micron. Grinding will be followed by Low Intensity Magnetic Separation (LIMS) which is a robust, high capacity and well established mineral processing technology. Yield is expected to be ~45% and following microbial treatment of the ex-plant concentrate to reduce the phosphorous content to 0.25% in open swimming pool style vats, the final iron ore concentrate is expected to have a grade of ~56% Fe with SiO_2 3.8%, Al_2O_3 6.6% and P 0.25%. From the bio-leach vats the concentrate slurry will be thickened for pumping down from the Agbaja Plateau to a barge loading facility at Banda on the banks of the Niger River, where it will be de-watered and loaded onto river barges for transport down river to a transfer station at Escravos, then transferred to ocean going barges for delivery to a transhipper, moored in the Gulf of Guinea.

Figure 3 – Proposed Process Flow Sheet Schematic



Mineral Tenement

The Maiden Ore Reserve is wholly situation within Exploration Licence (EL) 12124 which was granted under the Nigerian Minerals and Mining Act 2007 to KCM Mining Limited, a wholly owned subsidiary of Kogi Iron. EL12124 was granted on 23 January 2012 for 3 years and may be renewed for a further two, two year periods on application.

Social and Environmental Impact

An Environmental and Social Impact Assessment (ESIA) was undertaken by Greenwater Environmental Services Limited (Greenwater), a Nigerian company that is accredited by the Nigerian Federal Ministry of Environment (FMEnv).

The ESIA concluded that, on balance, the Project would have a positive impact on the social aspects of the area and gauged that it would positively impact the local stakeholder economy, the Local Government area and the communities of the Agbaja Plateau generally, with similar positive impacts on Kogi State and Nigeria.

In terms of environmental impact, the ESIA reported that the areas directly affected by Kogi Iron's proposed mining and processing activities are predominantly low value scrub land and savannah woodland intercepted by grasslands, all of which have limited agricultural use or environmental significance. There were no rare or endangered species of flora or fauna identified in the proposed mine and operational areas, and furthermore the ESIA stated that anticipated environmental impacts from planned mining, processing and associated activities can be mitigated and managed via the requisite Environmental Management Plan, submitted as part of the ESIA. Kogi submitted the ESIA to the FMEnv in February 2014 and following a public exposure period and a panel review by the FMEnv it is anticipated that ESIA will be approved. There is currently no reason to believe that after the public consultation period and a formal review of the ESIA, the necessary Government approvals will not be received within the timeframes anticipated in the PFS.

-end-

Appendix A

'JORC Code 2012 Table 1' Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections).

Criteria	JORC Code Explanation	Commentary	Competent Person
Sampling techniques	▪ Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. ▪ Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. ▪ Aspects of the determination of mineralisation that are Material to the Public Report. ▪ In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	▪ The Agbaja deposit was sampled using a Reverse Circulation (RC) and diamond drill holes (DD) on nominal 200m x 100m grid spacing. A total of 686 RC drill holes were drilled for 16,244m. The DD was primarily used to 'twin' the RC drill holes. A total of 11 DD drill holes were drilled for 233m. ▪ RC drilling samples were taken at consecutive 1m intervals down hole and riffle split to 1-2kg then dispatched for sample preparation at ALS Minerals, Ghana. ▪ Twin drilling by PQ diamond coring was undertaken for the DD drill holes. Core was shipped to ALS/AMMTEC laboratories in Perth and 1m interval samples were taken (complete core sections) for analysis. ▪ All drilling was logged with recovery recorded and entered into a sampling database with standardised codes onsite soon as practically possible after the drill hole was completed.	WC(Warwick Crowe)
Drilling techniques	▪ Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).	▪ Vertical RC drilling (6 inch hole diameter) was conducted using a face-sampling drill bit. RC drilling accounts for 99% of the drilling database. RC drill hole depths range from 12.5m to 35.5m with 3 deeper RC holes drilled to a maximum of 84m for sterilisation purposes. Vertical diamond drilling was conducted using double tube PQ sized conventional 1.6m drill tube on a converted RC drilling rig. DD drill hole depths range from 16.9m to 29.8m.	WC
Drill sample recovery	▪ Method of recording and assessing core and chip sample recoveries and results assessed. ▪ Measures taken to maximise sample recovery and ensure representative nature of the samples. ▪ Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	▪ RC samples are weighed and recorded on site then transferred to the database for each 1m interval. Sample weights typically exceeded 20kg before riffle splitting. ▪ Recovery of diamond drilling was recorded on site and averaged 70% (total hole) and 73% for the main mineralised section. ▪ A twin hole review of 9 DD twins was completed, and shows no significant sample bias.	WC

Criteria	JORC Code Explanation	Commentary	Competent Person
Logging	▪ Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. ▪ Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. ▪ The total length and percentage of the relevant intersections logged.	▪ All RC drill holes were geologically logged at a sample interval of 1m for lithology, colour, weathering, minerals, magnetism, main particle size and general observations in standard company template using a standard code library. ▪ Logging was both qualitative (e.g. lithology description, colour and comments) and quantitative (e.g. measurement of magnetic susceptibility). ▪ The drill holes were logged in their entirety (100%). ▪ Logging of the 2013 diamond drillholes included recording of lithological contacts, weathering contacts, and structural orientations; dry core photos were taken. All core was logged in standard company template using a standard code library. ▪ Logging is of sufficient quality and detail for use in mineral resource studies.	WC
Sub-sampling techniques and sample preparation	▪ If core, whether cut or sawn and whether quarter, half or all core taken. ▪ If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. ▪ For all sample types, the nature, quality and appropriateness of the sample preparation technique. ▪ Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. ▪ Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. ▪ Whether sample sizes are appropriate to the grain size of the material being sampled.	▪ Samples are riffle split at site through 2-tier riffle splitter. The splitter is cleaned after each sample. ▪ The laboratory sample preparation by ALS (Ghana) of RC drill samples from site is of industry standard, comprising drying, crushing to <2mm p70%, riffle split sub-sample of 250g, pulverization to 75µm p85%. ▪ Field duplicates and blanks are inserted at a ratio of approximately 1 in 16. Kogi standards (two covering different grades) are inserted at a ratio of approximately 1 in 8. Sample and particle sizes are appropriate for the target mineral (Fe). ▪ Complete core (PQ size) was crushed in 1m intervals and split for analyses at ALS/AMMTEC laboratories, with crushing to <2mm p70%, riffle split sub-sample of 250g, pulverization to 75µm p85%. ▪ The sampling techniques are considered appropriate, and provide a representative sample for assaying. ▪ The twin hole review was completed for 9 DD/RC hole twins, and results show no significant sampling bias.	WC
Quality of assay data and laboratory tests	▪ The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. ▪ For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. ▪ Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	▪ Assay of the RC and DD samples used industry standard techniques. Assaying was performed by ALS Geochemistry, Perth, Western Australia with methods comprising 24 elements/oxides by XRF fusion (ALS code ME-XRF21n) and LOI1000 by TGA furnace (ALS code ME-GRAO5). The techniques are considered to represent total concentration. ▪ Kogi QAQC iron ore standards are inserted in the drill hole sample sequences randomly at a ratio of approximately 1 in 8 prime samples; blanks and field duplicates are inserted at a ratio of approximately 1 in 16 prime samples. ▪ The Kogi QAQC sample results are assessed from the certificated laboratory reports and show acceptable levels of accuracy and precision with respect to known values in the case of standards and blanks, and the correlated duplicate and prime samples. The laboratory also conducts routine internal standard, pulp duplicate and repeat assays which have been analysed with no major issues determined. ▪ Coffey has completed an independent review of the available QAQC data for both the 2011-2012 and 2013 drill programs and determined that acceptable levels of accuracy and precision have been established for the sub-sampling and assaying processes.	WC/DS(David Slater)

Criteria	JORC Code Explanation	Commentary	Competent Person
Verification of sampling and assaying	▪ The verification of significant intersections by either independent or alternative company personnel. ▪ The use of twinned holes. ▪ Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. ▪ Discuss any adjustment to assay data.	▪ Coffey has checked core photos against the assay and geological logs. Data is entered into an industry standard relational database by independent data specialist group Maxwell Geoservices. Data entry procedures include standard error and missing data checks; final entered data is checked by a Kogi geologist. Data storage is hardcopy logs and assay reports, and digital data on a file server with back-ups in Perth, Australia. ▪ No adjustments have been made to the assay data. ▪ A twin hole program of 11 holes has been completed; however only twin assay data for 9 pairs was available. Coffey has reviewed the twin hole assay data and finds minor 'tailing' has occurred in the RC drilling at the oolite – kaolinitic sandstone contact where possible loss of circulation due to hole blowout has occurred. However, the results of the DD holes, globally, are comparable with the RC holes notwithstanding the above. ▪ A member of the Coffey team Brendan Botha (Pri.Sci.Nat, MGSSA) conducted a site visit in January 2012, reviewing data from the RC drilling programme, and concluded all RC drilling procedures were appropriate. David Slater (responsible for the resource estimate) has not visited the Project, but has reviewed DD photographs and reports. ▪ For the drilling phase, geological data is entered directly into a standard company template spreadsheet using a standard code library. The data is then compiled in a standardised relational database and validated. ▪ Assay data for the drilling is provided as comma delimited files from the laboratory and extracted through a query directly into the assay table, eliminating the chance of data-entry transcription errors. Spot checks are made, validating against the original laboratory certificates. The global database is managed by a specialised database consultant Maxwell Geoservices in Fremantle Western Australia. ▪ Data has been provided to Coffey as an Access database from Maxwell Geoservices. ▪ Basic validation checks (e.g. looking for missing or overlapping intervals) were conducted by Coffey to ensure the resource database was internally consistent and contained no obvious errors. ▪ All of the 2011-2012 and 2013 assay data with the exception of two diamond drilling twin holes (assaying not completed) and hole L20S-03RC (identified as problematic due to a possible sample preparation issue) was used in the resource estimation.	WC/DS
Location of data points	▪ Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. ▪ Specification of the grid system used. ▪ Quality and adequacy of topographic control.	▪ Drill hole collars are surveyed using DGPS by registered surveyor (MinStaff Survey Pty Ltd) and tied into a global grid. The grid system used is UTM WGS85_32N. ▪ Downhole surveys for the 2013 holes were not taken as holes are vertical and shallow. ▪ The surface topography used in the resource is derived from a combination of the 30m Shuttle Radar Topography Mission (SRTM) and drillhole collars. For mine planning, a detailed topography that eliminates the vegetation canopy is recommended. The topography is adequate for use in the mineral resource estimate, and has been considered in resource classification at the resource margins where the lower accuracy SRTM data was used.	WC/DS

Criteria	JORC Code Explanation	Commentary	Competent Person
Data spacing and distribution	▪ Data spacing for reporting of Exploration Results. ▪ Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. ▪ Whether sample compositing has been applied.	▪ The drilling was conducted on an approximate 100m by 200m NE-SW oriented grid with some closer spaced and overlapping drill holes. This is considered sufficient to establish the continuity of geology and mineralisation for the purposes of the Mineral Resource estimate. ▪ Initial RC drilling (~160 holes) was sampled at 0.5m intervals. These were composited to 1m intervals for assay. The remaining holes were subsequently sampled and assayed at 1m intervals. This 1m sample interval is sufficient to map the geological and grade continuity for the mineral resource definition. ▪ Diamond drilling was used to twin 11 RC holes. The DD holes were drilled in approximate 1.5m run lengths. The core was subsequently divided into regular 1m intervals for assay. The continuity of core and its 1m interval subdivision for assay is suitable for geological and grade comparison with the twinned RC holes.	WC/DS
Orientation of data in relation to geological structure	▪ Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. ▪ If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	▪ All holes were drilled vertically and perpendicular to flat-lying to sub-horizontal sedimentary beds and channels that host the iron mineralisation. ▪ Drill traverses are oriented approximately across the strike of the palaeochannels.	WC
Sample security	▪ The measures taken to ensure sample security.	▪ RC drill sampling was supervised by the site geologist; all samples were transported at end of shift to site base camp and stored in enclosed sheds within camp confines with 24 hour security guards present. Samples were split on-site and packed into large drums mounted on pallets and then sealed for export. The samples were submitted to the ALS laboratory security-system in Ghana. ▪ Diamond core was packed into core trays at site and transported to base camp at the end of each shift. As for the RC samples, the DD samples were stored in enclosed sheds within camp confines with 24 hour security guards present. Core trays were sealed and packed into crates for direct shipment to ALS/AMMTEC laboratories in Perth.	WC
Audits or reviews	▪ The results of any audits or reviews of sampling techniques and data.	▪ The Company's RC drilling and assay procedures were independently reviewed by Coffey during the site visit as part of the September 2012 Inferred Mineral Resource. ▪ The sampling techniques were found to be of sufficient quality and appropriate for this type of deposit to be used in Mineral Resource estimation.	WC/DS

'JORC Code 2012 Table 1' Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section).

Criteria	JORC Code Explanation	Commentary	Competent Person
Mineral tenement and land tenure status	▪ Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. ▪ The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	▪ The tenement was granted under the Nigerian Minerals and Mining Act 2007 to KCM Mining Limited. EL12124 was granted on 23 January 2012 for 3 years. The definition of the perimeter is delineated by topographic co-ordinates (Longitude/Latitude, Degree/Minute/Second). ▪ Kogi Iron has a 100% beneficial interest in the tenements. ▪ The tenement boundary has been transposed to UTM grid for use in the resource model. The resource model mineralisation is bounded by the northern margin of the tenement.	WC/DS
Exploration done by other parties	▪ Acknowledgment and appraisal of exploration by other parties.	▪ Previous exploration and resource work carried out by other parties is detailed in reports: - Jones, H.A. 1958: The oolitic ironstones of Agbaja Plateau, Kabba Province. Records of the Geological Survey of Nigeria, pp20-43. - Maynard, A.J. 2011: Independent Geological Report on Iron Project Licenses in Kogi State, Nigeria. Report for Energio Limited (now Kogi Iron Limited) and included in ASX Announcement, Prospectus dated 15 December 2011. - Crowe, W. 2011: Summary Field report on the Geological and Geophysical Survey Program within the KCM Mining Ltd. Iron Ore Tenements EL8583 and EL8886 in Kogi State, Nigeria. Report prepared by International Geoscience. - Coffey Mining (SA) Pty Ltd., 2012: Resource Estimation of the Agbaja Plateau Iron Ore Project, Kogi State, Nigeria.	WC
Geology	▪ Deposit type, geological setting and style of mineralisation.	▪ Iron mineralisation within the Agbaja Plateau is a Channel Iron type deposit hosted in the sub-horizontal to very shallow east dipping, Late Cretaceous Agbaja Formation and typically forms the resistant hard cap top of the plateau. The margins of the plateau are characteristically bound by prominent escarpments of a few metres to 10s of meters above a flanking scree slope comprising eroded Agbaja Formation and the softer underlying Patti and Lokoja Formations. ▪ The Agbaja Formation and the iron mineralisation is laterally and areally extensive across the Agbaja Plateau and consists of an upper unit comprising beds of ferruginous sandstone and reworked oolite/pisolite material (referred to as the Laterite unit) that overlies a sequence of massive ferruginous oolite and pisolite in a ferruginous matrix (referred to as the Oolitic unit). ▪ Both the Lateritic and Oolitic units show an overprinting secondary ferruginisation, often seen as harder vertical and horizontal bands which have exploited bedding and fracture surfaces, and as concentric zonations within the units and typically between ferruginous fractures. Subsequent weathering with associated lateritisation has overprinted the overlying sandstone unit and the upper edge of the main oolitic unit. The principal iron minerals in both the matrix and ooids/pisolites of the main oolititc unit are goethite and maghemite/magnetite, and in the upper lateritic sandstone (including thin oolitic layers) the principal iron mineral is goethite with subordinate hematite.	WC
Criteria	JORC Code Explanation	Commentary	Competent Person

Drillhole Information	▪ A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes: ▫ easting and northing of the drillhole collar ▫ elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar ▫ dip and azimuth of the hole ▫ downhole length and interception depth ▫ hole length ▪ If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	▪ As outlined in Section 1 of this table, there are 686 RC drill holes and 11 DD holes at the Agbaja Project dating back to 2011, forming the basis for the Mineral Resource estimate outlined in Section 3 of this Table. Material drill results for the Agbaja Project have previously been announced to the market as required under the reporting rules defined by the JORC Code (2004) and the ASX Listing Rules. All material exploration results relevant to the Agbaja Project area have been considered in establishing the Mineral Resource discussed in section 3. Going forward any new exploration results that result in a material change to the existing Mineral Resource in section 3 will be updated as required under JORC Code 2012 and current ASX Listing Rules. ▪ A drill hole collar plan was provided in Figure 1 in the 10 December 2013 ASX announcement titled "Mineral Resources at Agbaja increase 20% to 586MT includes an Indicated Mineral Resource of 466MT".	WC/DS
Data aggregation methods	▪ In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. ▪ Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. ▪ The assumptions used for any reporting of metal equivalent values should be clearly stated.	▪ No material changes to exploration results or drill hole intercepts are stated in this ASX announcement. This statement relates to a Mineral Resource only. .	
Relationship between mineralisation widths and intercept lengths	▪ These relationships are particularly important in the reporting of Exploration Results. ▪ If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported. ▪ If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. 'downhole length, true width not known').	▪ No material changes to exploration results or drill hole intercepts are stated in this ASX announcement. This statement relates to a Mineral Resource only. .	
Diagrams	▪ Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.	▪ No material changes to exploration results or drill hole intercepts are stated in this ASX announcement. This statement relates to a Mineral Resource only. ▪ A drill hole plan and typical cross section were provided in Figures 1 and Figure 2 respectively of the 10 December 2013 ASX announcement titled "Mineral Resources at Agbaja increase 20% to 586MT includes an Indicated Mineral Resource of 466MT".. Cross sections and photos of the geology and mineralisation have been released in previous ASX announcements.	WC/DS
Balanced reporting	▪ Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	▪ No material changes to exploration results or drill hole intercepts are stated in this ASX announcement. This statement relates to a Mineral Resource only. .	

Criteria	JORC Code Explanation	Commentary	Competent Person
Other substantive exploration data	▪ Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	▪ No material changes to exploration results or drill hole intercepts are stated in this ASX announcement. This statement relates to a Mineral Resource only.	WC
Further work	▪ The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). ▪ Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	▪ This mineral resource is to be incorporated into a Scoping Study which is currently being undertaken and will detail a proposed mining plan. ▪ The Company plans to carry out a staged and detailed exploration program in the surrounding area and assessment in the dry seasons of 2014 and 2015. The initial primary focus will be on the CID areas on the Agbaja plateau. These programs will be designed to include closer-spaced RC drilling on the Agbaja plateau and closer-spaced geological mapping and geochemical sampling of the mesa escarpments on each of the plateaus. The work will be focused on the thicker parts of the iron- mineralised units with a view to defining areas for subsequent resource definition drilling, matched to future project and mine planning requirements.	WC

'JORC Code 2012 Table 1' Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section).

Criteria	JORC Code Explanation	Commentary	Competent Person
Database integrity	▪ Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. ▪ Data validation procedures used.	▪ The 2013 data collection was directly into company standardized logging spreadsheets. Entry of assay data into the database was through direction extraction via a database query from the laboratory files. Checks have been conducted on aspects of the data entry by database consultant Maxwell Geoservices using their propriety software and checked by Kogi. Data is stored in a single relational database. ▪ Coffey has conducted its own validation process on the data, with checks looking for missing/overlapping intervals, missing data, extreme values. No material issues were noted.	WC/DS
Site visits	▪ Comment on any site visits undertaken by the Competent Person and the outcome of those visits. ▪ If no site visits have been undertaken indicate why this is the case.	▪ Warwick Crowe has visited the site on numerous occasions since 2010 and supervised the 2012 and 2013 drilling programme on site. ▪ A member of the Coffey team, Brendan Botha (Pri.Sci.Nat, MGSSA), conducted a site visit in January 2012, reviewing data from the RC drilling programme. All RC drilling procedures were considered industry standard. David Slater (responsible for the Mineral Resource estimate) has not visited the Project, but has reviewed core photographs and site reports completed by Coffey.	WC/DS
Geological interpretation	▪ Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. ▪ Nature of the data used and of any assumptions made. ▪ The effect, if any, of alternative interpretations on Mineral Resource estimation. ▪ The use of geology in guiding and controlling Mineral Resource estimation. ▪ The factors affecting continuity both of grade and geology.	▪ Confidence in the geological model is high due to the similarity between the results of the recent DD drilling and project scale mapping. ▪ The understanding of the orientation of the geology and geological controls from mapping and recent diamond drilling has been used to support the mineralisation interpretations used in the Mineral Resource estimate. ▪ The current geological and mineralisation interpretation of Zone A (Laterite) and Zone B (Oolite) and associated controls is considered robust and suitable for resource estimation.	WC/DS
Dimensions	▪ The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.	▪ The block model extends 6750m (E-W), 5000m (N-S) and 200m (vertical). Note that due to drillhole depths and style of mineralisation, the mineralisation is modelled for a maximum vertical extent of ~40m below surface. Mineralisation occurs from surface.	DS

Criteria	JORC Code Explanation	Commentary	Competent Person
Estimation and modelling techniques	▪ The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. ▪ The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. ▪ The assumptions made regarding recovery of by-products. ▪ Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation). ▪ In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. ▪ Any assumptions behind modelling of selective mining units. ▪ Any assumptions about correlation between variables. ▪ Description of how the geological interpretation was used to control the resource estimates. ▪ Discussion of basis for using or not using grade cutting or capping. ▪ The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.	▪ The Mineral Resource was estimated using Ordinary Kriging techniques in Vulcan mining software. Search parameters were based on variography carried out on the 1m composites and supported by geological knowledge gained from field mapping and drillhole data. ▪ The Mineral Resource estimate was compared with the previous Coffey 2012 Resource estimate, with the differences being accounted for by extensional and infill drilling, and improved understanding of the geology and mineralisation after the 2013 field work. ▪ The primary commodity considered in the Mineral Resource estimation is Fe. A full suite of elements was also estimated (SiO2, Al2O3, P, LOI, CaO, K2O, MgO, Mn ,Na2O, S, TiO2) with some of those elements considered to be deleterious (P, SiO2 and Al2O3). ▪ The parent block size has considered the drillhole spacing and variography, as have the search parameters. ▪ The geological/mineralisation interpretation was developed for Zone A (Laterite) and Zone B (Oolite) using hard boundaries (wireframes). ▪ Selective mining units were not defined or corrected for in the resource estimate. However, a bulk open pit mining scenario possibly using continuous miners was considered in selection of the parent block size. ▪ The Mineral Resource estimate was validated through comparison of input and estimated grades visually and statistically. The estimate was also validated by looking at number of holes and samples used, average distance to informing samples, slope of regression and other statistical checks.	DS
Moisture	▪ Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	▪ Tonnages are based on in situ dry bulk density measurements.	DS
Cut-off parameters	▪ The basis of the adopted cut-off grade(s) or quality parameters applied.	▪ A nominal reporting cut-off grade of 20% Fe has been chosen. Further work via mining studies is required to further define an economic cut-off.	DS
Mining factors or assumptions	▪ Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	▪ Selective mining units were not defined or corrected for in the resource estimate or a recoverable resource estimated. However, a bulk open pit mining scenario possibly using continuous miners was considered and reflected in the block model construction and estimation parameters developed.	DS

Criteria	JORC Code Explanation	Commentary	Competent Person
Metallurgical factors or assumptions	▪ The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	▪ It is currently considered that mined material will be crushed to around <10mm by a two stage crushing system. The crushed material will be further milled, fed to a beneficiation plant and through a simple magnetic separation process, with a final upgraded iron ore concentrate to be produced. ▪ Coffey was provided with an ALS Metallurgy report NoA14760 dated February 2013 describing the initial test work program conducted on four composite samples of differing geology within Zone A (Laterite) and Zone B (Oolite). Further detailed test work is currently being conducted by Kogi as per ASX release titled 'Confirmation of Saleable Iron Ore Concentrate – Metallurgical update' dated 24 July 2013. Coffey notes from the release 'the Metallurgical test work programs on the upper CID-Oolite and Laterite mineralisation will continue throughout 2013 with the objective of assessing the suitability of these sections of the orebody for the proposed flow sheet, and to optimise mass and iron recovery, and concentrate grade for the lower CID-Oolite mineralisation. The Laterite mineralisation is typically lower in phosphorus and could potentially be used to blend down phosphorus levels in the final product'.	DS
Environmental factors or assumptions	▪ Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	▪ An Environmental and Social Impact Assessment (ESIA) draft has been completed for submission to the Department of Environmental Protection in December 2013. Baseline data in wet and dry seasons has been collected. No detailed assumption regarding possible waste and process residue disposal option sites have been made at this early stage of the project. ▪ It is not anticipated that environmental factors will be considered a material constraint regarding prospects for eventual economic extraction.	DS
Bulk density	▪ Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples. ▪ The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit. ▪ Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	▪ In situ dry bulk densities were assigned on the basis of measurements collected from the 2013 drill core using a combination of 'weight in water' technique and tray weight/volumes. 100 'weight in water' measurements were collected from Zone B material from core measurements and 39 entire tray measurements were collected for Zone A material. The in situ dry bulk densities values applied to the mineralised Zone A and Zone B of the block model are 2.02t/m^3 and 2.28t/m^3 respectively.	DS
Classification	▪ The basis for the classification of the Mineral Resources into varying confidence categories. ▪ Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). ▪ Whether the result appropriately reflects the Competent Person's view of the deposit.	▪ Mineral Resource classification was developed from the confidence levels of key criteria including topography, drilling methods, geological understanding and interpretation, sampling, data density and location, grade estimation and quality of the estimates. ▪ The area of Indicated Resource and Inferred Mineral Resource is considered appropriately informed and estimated for the classification. ▪ The resulting Mineral Resource estimate provides an appropriate global representation of this deposit in the view of the Competent Person.	DS

Criteria	JORC Code Explanation	Commentary	Competent Person
Audits or reviews	▪ The results of any audits or reviews of Mineral Resource estimates.	▪ The 2012 Mineral Resource estimate was, completed by Coffey. No independent audit of the 2013 Mineral Resource has been completed at this time.	DS
Discussion of relative accuracy/ confidence	▪ Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. ▪ The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. ▪ These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	▪ The Mineral Resource has been classified as a combination of Indicated and Inferred Mineral Resource. ▪ The resource estimate of grade and tonnage is based on the assumption that standard open cut mining methods will be applied and that high confidence grade control (e.g. dedicated RC grade control drilling) will be available for final ore-waste delineation. ▪ The Mineral Resource estimate is based on a realistic parent cell size and should be considered a global resource estimate, and not a recoverable resource estimate based on SMU block size. ▪ The relative accuracy and confidence of the Mineral Resource estimate is inherent in the Mineral Resource Classification as coded in the block model; no mine production data is available at this stage for reconciliation and/or comparative purposes.	DS

'JORC Code 2012 Table 1' Section 4 Estimation and Reporting of Mineral Reserves

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section).

Criteria	JORC Code Explanation	Commentary	Competent Person
Mineral Resource estimate for conversion to Ore Reserves	▪ Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve. ▪ Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.	▪ The Zone B (Oolite) component of the Mineral Resource as described in Section 3 formed the basis for the conversion to Ore Reserves. ▪ The Mineral Resources are inclusive of the Ore Reserves.	
Site visits	▪ Comment on any site visits undertaken by the Competent Person and the outcome of those visits. ▪ If no site visits have been undertaken indicate why this is the case.	▪ The Competent Person for the Ore Reserves, Mr Harry Warries, has not visited the site. ▪ No site visit by the Reserve Competent Person was deemed necessary as the site is a 'greenfields' site with no existing mine workings and/or site specific mine infrastructure being present.	
Study status	▪ The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves. ▪ The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.	▪ A Pre-feasibility Study (PFS) was completed by Kogi Iron Limited in January 2014. The PFS was undertaken by a team of industry professionals as listed below. ▪ Resource Estimate — Coffey ▪ Mine Engineering — Coffey ▪ Metallurgy and Processing — Tenova Australia ▪ Bioleaching — Senders Consulting ▪ Barging — Prestedge Retief Dresner Wijnberg ▪ Slurrying and Pipeline — Paterson and Cooke ▪ Operation and Logistics — Wilson, Campbell & Associates, Kogi Iron ▪ Environmental — Greenwater Environmental Services ▪ Market Research — AME Group ▪ Financial Modelling — NPV Consulting and Kogi Iron	
Cut-off parameters	▪ The basis of the cut-off grade(s) or quality parameters applied.	▪ In addition to the Resource Model, a geo-metallurgical model was developed by Coffey, based on magnetic susceptibility measurements taken for all drill holes. In recognition of the selected processing method which incorporates magnetic separation, the cut-off for ore determination was not based on Fe, rather, it was based on the magnetic susceptibility of the mineralised material. The magnetic susceptibility measurements identified that the boundary between magnetic and non-magnetic material is very sharp, i.e. the material is either magnetic or not. The lateritic (Zone A) horizon is non-magnetic. A cut-off of 20 x 10^{-3} SI within the Zone B (Oolite) resource was used for ore determination. It is noted that the Oolite zone was based on a nominal 30% Fe lower cut-off.	

Criteria	JORC Code Explanation	Commentary	Competent Person
Mining factors or assumptions	▪ The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design). ▪ The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc. ▪ The assumptions made regarding geotechnical parameters (e.g. pit slopes, stope sizes, etc.), grade control and pre-production drilling. ▪ The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate). ▪ The mining dilution factors used. ▪ The mining recovery factors used. ▪ Any minimum mining widths used. ▪ The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion. ▪ The infrastructure requirements of the selected mining methods.	▪ The Agbaja Iron Ore Project comprises an extensive, shallow (on average less than 30m), flat-lying channel iron deposit. The material is relatively soft and friable and it is proposed to mine the resource utilising conventional open pit mining methods. ▪ The deposit exhibits a relatively consistent ore profile that comprises a layer of lateritic material (non-magnetic and treated as waste) followed by a layer of oolitic material (magnetic). In addition, the deposit is relatively contiguous and readily discernible. As such, no pit optimisation was undertaken. The pit design was based on an area that exhibited the lowest waste to ore strip ratio and was sufficiently large to sustain a 21 year mine life. ▪ In the absence of geotechnical parameters, the pit design was based on a terrace style pit wall configuration, adopting 75 degree batter angles, in conjunction with 2m high benches and 2m wide berms. ▪ Mining dilution and mining recovery was modelled by regularising the sub-blocked resource model using a selective mining unit (SMU) of 20mE x 20mN x 2mRL. The SMU resulted in a 6% ore loss and a 1% dilution in Fe grade. ▪ The mine plan was primarily based on Indicated Resources with 8% of the mill feed being classified as Inferred Resources. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised for the years that Inferred Resources are scheduled to be mined. The mine plan incorporates a two year mining ramp-up, with steady state production of 5Mtpa of product (or 11.1Mtpa of crusher feed based on a yield of 45%) reached in Year 3. The average total material movement after Year 3 ranges from 18Mtpa to 21Mtpa. ▪ The primary infrastructure required for the development of the Project are listed below: o General administration and services infrastructure. o General mining facilities. o Natural gas fired power station at site o Process plant o A 22km slurry pipeline pumping concentrate from the process plant to the river barging facility o River barging facility, which will be powered by dedicated diesel generators. o Barge transfer station, located some 600km from the river barging facility, where the iron ore product is transferred onto ocean going barges. o A floating transhipment storage facility where the product will be loaded onto Panamax or Cape size ships.	

Criteria	JORC Code Explanation	Commentary	Competent Person
Metallurgical factors or assumptions	▪ The metallurgical process proposed and the appropriateness of that process to the style of mineralisation. ▪ Whether the metallurgical process is well-tested technology or novel in nature. ▪ The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied. ▪ Any assumptions or allowances made for deleterious elements. ▪ The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole. ▪ For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?	▪ The proposed metallurgical process incorporates well-tested technology and comprises crushing, grinding, low intensity magnetic separation (LIMS) and bacterial leaching of the LIMS product to lower the phosphorous grade. ▪ No bulk sample or pilot scale test work were undertaken, however, core drill samples representative of the orebody as a whole were used in metallurgical and mineralogy testwork. ▪ The metallurgical testwork to date has focussed on exploring the potential of upgrading the quality of the ore. Sighter testwork included the assessment of the physical properties of the ore and the ability to separate gangue material from the iron rich bearing rock. The sighter testwork was followed up by pilot testwork, as well as mineralogy assessment. ▪ The metallurgical testwork indicated that, based on the processing flow chart adopted, the crusher feed yield will be 45%, i.e. 1 tonne of crusher feed will produce 0.45 tonne of saleable product. ▪ Bioleaching testwork has indicated that microorganisms isolated from the Agbaja ore can reduce the phosphorous levels within the ore of up to 65% to 70%. The testwork focussed on the oolite material that is magnetic, as opposed to the lateritic material, which is non-magnetic and will not be processed at this stage of the Project. ▪ The test work indicates that a final fines product with the following specifications could be produced: o Fe 56% o SiO2 3.8% o Al2O3 6.6% o P 0.25% o LOI (1,000 deg C) 7.3	
Environmental	▪ The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.	▪ The Environmental and Social Impact Assessment (ESIA) was undertaken by Greenwater Environmental Services Limited (Greenwater), who is accredited by the Nigerian Federal Ministry of Environment (FMEnv). In terms of environmental impact, the ESIA reported that the areas directly affected by Kogi Iron's proposed mining and processing activities are predominantly low value scrub land and savannah woodland intercepted by grasslands, all of which have limited agricultural use or environmental significance. There were no rare or endangered species of flora or fauna identified in the proposed mine and operational areas, and furthermore the ESIA stated that anticipated environmental impacts from planned mining, processing and associated activities can be mitigated and managed via the requisite Environmental Management Plan, submitted as part of the ESIA. Kogi submitted the ESIA to the FMEnv in February 2014 and following a public exposure period and a panel review by the FMEnv it is anticipated that ESIA will be approved.	

Criteria	JORC Code Explanation	Commentary	Competent Person
Infrastructure	▪ The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.	▪ The Project lies 15 km northwest of the city of Lokoja in Kogi State, and 165 km south west (highway) from Nigeria's capital city of Abuja. Lokoja has reticulated electrical power, cellular telephone networks, primary and secondary schools, hospitals and other amenities. Abuja, being the political capital of Nigeria is a well-established and serviced city; it has a large international airport with daily flights to Europe, the middle east and other African nations and is connected to Lokoja by a well maintained duel carriageway tarmac road (driving time ~2 hours). There is an un-utilised natural gas pipeline that runs close to the proposed processing plant from the Northern part of the prolific oil and gas province of the Niger Delta and it is assumed that natural gas will be supplied to the site. Kogi will construct a 22km road from the river barging facility to the process plant site.	
Costs	▪ The derivation of, or assumptions made, regarding projected capital costs in the study. ▪ The methodology used to estimate operating costs. ▪ Allowances made for the content of deleterious elements. ▪ The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co- products. ▪ The source of exchange rates used in the study. ▪ Derivation of transportation charges. ▪ The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc. ▪ The allowances made for royalties payable, both Government and private.	▪ The capital cost estimate is commensurate with a PFS level study and were estimated by the PFS contributors as listed under the Study Status criteria discussed above. Contract mining was adopted as the basis of the PFS and, as such, the mine equipment ownership cost is incorporated into the mine operating costs. ▪ Metal prices and penalty rates for deleterious elements applicable for the product specification produced at the Project were based on research by the AME Group. ▪ Kogi adopted a foreign exchange rate of US$: A$ of 1.00. ▪ The estimated capital costs for the Project are US$497.1M and are summarised below. o Mining US$ 11.9M o Processing US$132.8M o River barging and transfer station US$120.3M o Utilities and Infrastructure US$108.2M o Indirects - EPCM US$ 46.6M - Other US$ 32.3M - Contingency US$ 45.1M ▪ The estimated operating costs for the Project are US$42.98/dmt of product and is summarised below. o Mining US$ 8.12/dmt o Processing US$13.96/dmt o Barging and transhipping US$18.77/dmt o General and Administration US$ 2.13/dmt ▪ A 3% (FOB) government royalty, as well as a 1% third party royalty was applied.	
Revenue factors Notes: 1. CFR = Cost and Freight 2. FOB = Free on Board	▪ The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc. ▪ The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.	▪ The product price was based on the following calculation:- o Base CFR(1) Fe price (based on 58% Fe) US$110/dmt o Shipping (US$ 25/dmt) o Base FOB(2) Fe price (based on 58% Fe) US$ 85/dmt o Fe discount (US$2.5 per Fe unit below 58%) (US$ 5/dmt) o Al_2O_3 & P discount (US$ 7/dmt) o Final product price (56% Fe) US$ 73/dmt FOB	

Criteria	JORC Code Explanation	Commentary	Competent Person
Market assessment	▪ The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future. ▪ A customer and competitor analysis along with the identification of likely market windows for the product. ▪ Price and volume forecasts and the basis for these forecasts. ▪ For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.	▪ The market assessment was undertaken by the AME Group. ▪ AME research found that strong demand and rising prices have motivated steel mills to be less stringent in their quality requirements and are increasingly using ores with higher impurities, including some elevated phosphorus ores. As a result, one of China's largest steel mills, Shougang (Capital Steel Works), invested in dephosphorising technology in 2005 and developed an iron ore mine with elevated phosphorus levels near Yichang City in Hubei Province in 2007. Currently, high phosphorous ore (in excess of 0.4% P) is being sold to China. ▪ AME found that there is always a market for lower priced ore. In addition, the Agbaja ore has the advantage of low silica and it is also low in other impurities such as alkalis (K2O + Na2O), which can cause significant blast furnace operational issues. The titanium content is also low, which contributes to the production of a more fluid slag. Finally, the Agbaja product is quite coarse, which makes it more attractive for sintering.	
Economic	▪ The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc. ▪ NPV ranges and sensitivity to variations in the significant assumptions and inputs.	▪ The financial evaluation undertaken as part of the PFS indicated a net present value (NPV) of US$420M and an internal rate of return (IRR) of 23.7%. ▪ The key financial parameters were:- o Discount rate 12% o Tax rate 30% o Royalties 4% o Start of construction 2015 o Construction period 2 years o Life of mine 21 years o Initial capital expenditure US$497.1M o Sustaining capital (LOM) US$144M o Operating cost US$42.98/dmt o Product price US$73/dmt ▪ Sensitivity analysis indicated that a 10% change in product price, operating cost and capital cost resulted in the following impact on the pre-tax NPV:- o Product price ±50% o Operating expenditure ±31% o Capital expenditure ±11%	
Social	▪ The status of agreements with key stakeholders and matters leading to social licence to operate.	▪ The ESIA assessment indicated that, on balance, the Project would have a positive impact on the social aspects of the area. The ESIA gauged that the Project would positively impact the local stakeholder economy and the Local Government area and communities of the Agbaja plateau generally, with similar positive impacts on Kogi State and Nigeria. The proposed mine development will contribute to socio-economic development within the host communities and result in economic empowerment for the indigenes and residents of the Agbaja plateau, predominantly by way of direct and indirect employment opportunities (including contract opportunities during the construction and operational phases of the proposed mine).	

Criteria	JORC Code Explanation	Commentary	Competent Person
Other	▪ To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves: ▪ Any identified material naturally occurring risks. ▪ The status of material legal agreements and marketing arrangements. ▪ The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.	▪ Kogi has submitted the ESIA and has no reason to believe that, after the public consultation period and a formal review of the ESIA, the necessary Government approvals will be received within the timeframes anticipated in the PFS.	
Classification	▪ The basis for the classification of the Ore Reserves into varying confidence categories. ▪ Whether the result appropriately reflects the Competent Person's view of the deposit. ▪ The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).	▪ Probable Ore Reserves were declared based on the Indicated Mineral Resources contained within the pit design that was developed for the Project. The financial analysis showed that the economics of the Project are robust and the risk analysis did not identify any insurmountable risks.	
Audits or reviews	▪ The results of any audits or reviews of Ore Reserve estimates.	▪ No external audits or reviews of the Ore Reserve estimates have been undertaken.	
Discussion of relative accuracy/ confidence	▪ Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate. ▪ The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. ▪ Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage. ▪ It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	▪ The relative accuracy and confidence of the Ore Reserve estimate is inherent in the Ore Reserve Classification. ▪ No mine production data is available at this stage for reconciliation and/or comparative purposes. ▪ Factors that may affect the global tonnages and the associated grades include:- o Mining dilution o Mining recovery o Process plant performance ▪ University test work has demonstrated that significantly reduced phosphorous levels in Agbaja iron ore can be achieved through simple bioleaching. Kogi has recently commenced Stage 2 phosphorous bioleaching investigative work for the Agbaja Project. As part of the DFS, larger pilot plant trails will be conducted to prove that the process is viably commercially and at a large scale.	

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About Kogi Iron (ASX: KFE)

Kogi Iron Limited is an Australian company striving towards becoming 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"). The Agbaja Plateau hosts an extensive, shallow, flat-lying channel iron deposit with a current 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). The Mineral Resource covers approximately 20% of the prospective Plateau area within Kogi's EL12124.

The Company recently completed a Preliminary Feasibility Study (PFS) which determined that the development of an iron ore mining and processing operation at Agbaja to produce 5 Mtpa of upgraded iron ore concentrate was technically and economically viable. The Project is robust and highly attractive with an IRR of 23.7%, an estimated pre-tax NPV of US$420 million (@ 12% discount) and a four year capital payback. Agbaja's CAPEX estimate is US$497 million and capital intensity is US$99.4/t, ranking it in the bottom quartile for magnetite projects. Forecast average operating costs of US$42.98/t concentrate FOB places the Project in the bottom half of the operating cost curve of for magnetite projects. The Company is now proceeding with a Definitive Feasibility Study which will be completed by the end of Q4 2014. The PFS established that iron ore concentrate from Agbaja will be transported by river barges on the Niger River from a site approximately 22 km from the planned processing plant to the Gulf of Guinea, then transhipped to large ocean going vessels for export to world markets.

The Company is entering a very exciting phase in its development and planned emergence as an African iron ore producer. Kogi Iron has the scale, the strategy and the team to deliver.

Forward-looking Statements

This announcement contains forward-looking statements which are identified by words such as 'anticipates', 'forecasts', 'may', 'will', 'could', 'believes', 'estimates', 'targets', 'expects', 'plan' or 'intends' and other similar words that involve risks and uncertainties. Indications of, and guidelines or outlook on, future earnings, distributions or financial position or performance and targets, estimates and assumptions in respect of production, prices, operating costs, results, capital expenditures, reserves and resources are also forward looking statements. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions and estimates regarding future events and actions that, while considered reasonable as at the date of this announcement and are expected to take place, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and management. We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and readers are cautioned not to place undue reliance on these forward-looking statements. These forward looking statements are subject to various risk factors that could cause actual events or results to differ materially from the events or results estimated, expressed or anticipated in these statements.

Competent Person's Statements

The information in this announcement that relates to the 2014 Ore Reserve for the Agbaja Project is based on information compiled by Mr. Harry Warries, Mining Manager of Coffey Mining who is a fellow of the Australasian Institute of Mining and Metallurgy. Mr. Harry Warries has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Harry Warries consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this announcement that relate to Mineral Resources for the Agbaja Project is based on information compiled by David Slater, Principal Resource Geologist of Coffey Mining who is a Chartered Professional Member of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists and by Dr Warwick Crowe, of International Geoscience who is a Member of the Australian Institute of Geoscientists. Both David Slater and Dr Warwick Crowe have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. David Slater and Dr Warwick Crowe each consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.