



KOGI IRON LIMITED (ASX: KFE)

AGBAJA CAST STEEL PROJECT, NIGERIA



Investor Presentation, May 2020



- Investment Opportunity & Drivers
- Project Metrics & Milestones
- 'Unique' Equity Growth Story



THE PROJECT:
***"Integrated Production of
Iron Ore and Steel for
Import Replacement"***

***Target US\$8M Placement to
fund Feasibility Study***



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.



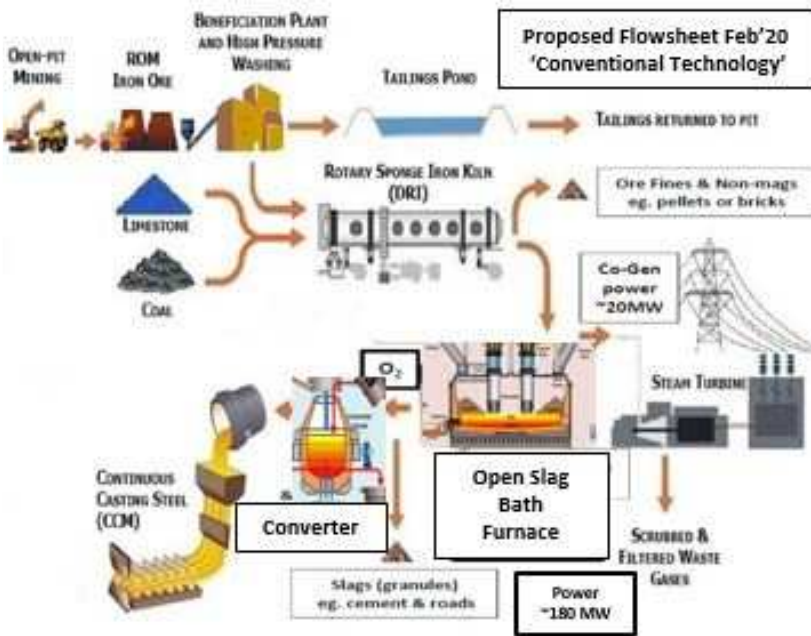
➤ Nigeria: a large, emerging economy reliant on oil & gas revenues with industrial development constrained by high cost supply.

➤ Imports all steel raw materials (scrap ~3-5Mtpy) to fabricators
 ⇒ project is “Import Substitution” to support industrial growth
 ⇒ no domestic steel production ie. foundation project

➤ **Key Advantages & Commercial Drivers:**

- **Fundamentals** – people, resource, market, location, timing.
- **Potential low cost base** with integrated ore, gas & power.
- **Attractive price parity** of market offtake to support returns.
- **Unique**, equity growth story with clear 1-3 year value path.
- **Synergy** investments, linked offtake, JV Partners &/or exits.

➤ Government stability, legal structure & functioning democracy to support **favourable foreign investment policy**.





PROJECT METRICS and MILESTONES

"CONFIDENTIAL based on Public Information or NDA's"



Subject to 2020 Feasibility Study with results anticipated in ~Q3CY'21

- **Positive project metrics** based on independent estimates and results of previous evaluation studies by Coffey International, Tenova-Torex-Mintek, Farnborough Engineering and Fastmarkets UK.
- Proposed steel billet production capacity ~0.8 Mtpy (<30% market demand)
- Key Project Parameters => *Progress & Solutions (TBC)*
 - ✓ Environmental, Social & Governance (ESG) => *Community Agreement, MMSD/WB MinDiver*
 - ✓ Refining to remove phosphorus from steel => *Conventional technology, tests in Sweden*
 - ✓ Reliable, cost-effective power => *Gas pipeline ~5km from proposed steel plant*
 - ✓ Market entry strategy => *Demand Pull @ Import Price Parity*
 - ✓ Foreign investment policy => *Contract of Work or Indenture Act*

➤ **Milestones & Activities** (estimates subject to ~US\$8M funding of Feasibility Study):

Feasibility Study	(ESG \$0.4M, steel tests \$4.0M, ore reserve \$0.5M, market \$0.5M, funding & fees \$0.8M, legal & admin. Australia & Nigeria \$1.8M)	~12-14 months
M&A or Synergy Farm-In	(raw materials - coal, gas, steel)	~Q2 CY2021
Cornerstone Partners	(offtake parties, industrial funds & companies, Development Banks)	~Q3-Q4 CY2021
Project Debt Financing	(EPCM, Export Credit Agencies, subordinated Banks)	Q4 2021 – Q1 CY2022
Sale, Takeover or Restructure	(Project Equity financing)	Q4 2021 – Q1/2 CY 2022
Develop	(Construction, Commissioning & Production)	(to be determined)



'UNIQUE' EQUITY GROWTH STORY

"CONFIDENTIAL based on Public Information or NDA's"



Subject to 2020 Feasibility Study with results anticipated in ~Q3CY'21

➤ **~US\$8M private placement planned June 2020 to fund Feasibility Study (~6 months cash preserved)**

➤ **Context:**

- **COVID-19 =>** OH&S and cash preservation, share price decline, active with ESG & trial mining
- Different investment universe => capital flows to commodities in good assets and/or operations
- Oil price shock => sharpens Government focus on building a diversified economy

➤ **Clear 1-3 Year Equity Growth Path, Liquidity Events & Exits**

Feasibility Study	<i>Positive results increase share price & liquidity</i>	<i>(CY20-Q3'21)</i>
	<i>Company revaluation based on auditable, independent financial model (NPV)</i>	
M&A or Synergy Farm-In	<i>Share price accretive equity investments</i>	<i>(~Q2 CY21)</i>
	<i>(minimise dilution)</i>	
Cornerstone JV partners	<i>Share price premium equity investments</i>	<i>(~Q3 CY21)</i>
Project Debt Financing	<i>Low coupon rate & long term ECA debt</i>	<i>(~Q1 CY22)</i>
Sale, Takeover or Develop	<i>Corporate activity at share price premium</i>	<i>(~Q1 CY22)</i>

- **Unique investment proposition** = largest emerging economy without steel production
 = no benchmark peers or competition in integrated iron & steel
 = potential competitive advantages on costs & price & policy

➤ **On-market buying opportunity prior to Funding => Q & A**



STRONG FUNDAMENTALS

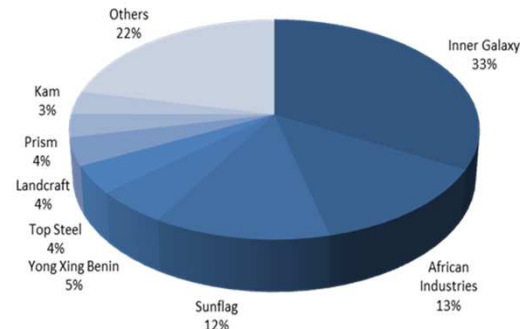
"People, Resource, Market, Government, Timing"



Summary Grade and Tonnage for the Agbaja Iron Ore Resource
 Laterite (Zone A) and Oolitic (Zone B) Horizons
 (20% Fe lower cut off is applied)
 Refer ASX announcement 10 December 2013.

Classification	Tonnes (Mt)	Fe (%)
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

Nigerian long product market share by company (2018)



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.