

30 October 2013

KOGI IRON RAISES \$0.97 MILLION VIA SHARE PURCHASE PLAN

Highlights

- Successfully raised \$0.97 million via a Share Purchase Plan
- Follows a successful \$1.2 million share placement
- Funds will be applied to the completion of the Agbaja Project Scoping Study
- Kogi Iron on track to announce the final results of the Agbaja Project Scoping Study by the end of Q1 2014

Australian based iron ore development company, Kogi Iron Limited (ASX: KFE) ("Kogi Iron" or the "Company") is pleased to announce it has raised \$0.97 million via the Share Purchase Plan ("SPP") announced on 25 September 2013. The SPP enabled existing eligible shareholders to purchase up to \$15,000 of fully paid ordinary shares in the Company at a price of \$0.09 per share, free from all brokerage and commission. The SPP closed at 5pm WST on Friday 25 October 2013.

Kogi received SPP applications from existing eligible shareholders for 10.8 million new ordinary shares and total funds of \$0.97 million.

Kogi Managing Director Iggy Tan said: "The response by our current shareholders and the amount raised from the SPP is outstanding. The recent communication strategy and re-engagement of our current shareholder base has added positive momentum to shareholder support moving forward. The Kogi Iron Board wishes to acknowledge the support of shareholders in the SPP."

The SPP was announced following a successful \$1.2 million share placement ("Placement") on 25 September 2013. Funds raised from both the Placement and the SPP shall be applied to the completion of the Agbaja Project Scoping Study and for general working capital purposes. The Company remains on track to announce the results of the Agbaja Project Scoping Study by the end of first quarter 2014.

In accordance with the SPP timetable, the SPP shares will be allotted on Friday 1 November 2013 and holding statements will be issued on Monday 4 November 2013.

-End-

For more information, please contact:

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About Kogi Iron (ASX: KFE)

Kogi Iron Limited is a Perth-based company with the objective of 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" or "Agbaja Project"). The Company is conducting a Scoping Study on a potential iron ore operation at the Agbaja Plateau initially utilizing barging transport of its iron ore product along the Niger River to Warri Port and world export markets. The Company will continue to advance access and usage agreements for an existing under-utilised heavy haulage railway that runs from near the Agbaja Project to Port Warri. This existing railway remains an important part of a longer term transport solution for an expanded production profile.

In recent years Nigeria has sought to diversify its economy, which is dominated by hydrocarbons, into minerals and related industries. Nigeria is the largest country by population in Africa with a GDP growth rate of 7.2% in 2013. The country has very transparent and consistent mining regulations and very favourable fiscal terms for foreign investment in mining.

The Company holds a land position of approximately 400km² covering 15 tenements, with the main focus being EL12124 which covers a large part of the Agbaja Plateau. The Agbaja Plateau hosts an extensive, shallow, flat-lying channel iron deposit with an Inferred Mineral Resource of 488 million tonnes with an in-situ iron grade of 42.7% reported in accordance with the 2004 JORC Code. This mineral resource covers approximately 20% of the prospective plateau area within EL12124.

Scoping Study

Investors are advised that the purpose of the Scoping Study is to assess the potential viability of the development of a mining and processing operation at the Company's Agbaja Project against a set of key commercial parameters. Neither the commencement of the Scoping Study, nor the results of such Scoping Study, will establish the economic viability or definite value of the Agbaja Project. While it is proposed that the Scoping Study will be based on the Company's existing and previously announced Inferred Mineral Resource estimates, these estimates and the commencement of a Scoping Study are not in themselves sufficient enough to define the economic viability of the Agbaja Project. This is because under the JORC Code, these Inferred Mineral Resource estimates are not sufficient to permit the application of the type of technical and economic parameters required to imply economic viability.

Investors should note that for the Company to establish economic viability of its Agbaja Project, the Company will need to establish sufficient Indicated Mineral Resources and further consider mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and government factors. As a result, some of the economic assumptions that may be used in the Scoping Study may never be realised. Statements implying economic viability require a reasonable basis, otherwise they are taken to be misleading to shareholders. Given that the Company is concerned that investors may attribute the commencement of the Scoping Study as proving the Agbaja Project's economic viability and cautions investors against using those statements as a basis for investment decisions relating to securities in the Company.

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 Statement

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