

6 November 2013

CLARIFICATION – AGBAJA PROJECT

Australian based iron ore development company, Kogi Iron Limited (ASX: KFE) (“Kogi Iron” or the “Company”) refers to the announcement to the Australian Securities Exchange dated 14 October 2013 headed “Kogi Reports Barging Study Completed” (“14 October Announcement”), and to the Quarterly Report for the three months ended September 2013 (“September Quarterly Report”), lodged with the Australian Securities Exchange on 31 October 2013.

The 14 October Announcement included the statements “the 5Mtpa Scoping Study”, “a 5Mtpa iron ore operation” and “a 5Mtpa operation”. The September Quarterly Report included the statement “a final upgraded iron ore concentrate of 55-56% Fe is expected to be produced”.

The Company is concerned that investors may attribute the above statements as establishing the economic viability of the Company’s Agbaja Project, located in Kogi State, Republic of Nigeria, West Africa, which is currently the subject of a Scoping Study.

The Scoping Study will be based on the Company’s existing and previously announced Inferred Mineral Resource estimates and investors are advised that 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 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 above statements as proving the Agbaja Project’s economic viability, it retracts those statements of economic viability and production and cautions investors against using those statements as a basis for investment decisions relating to securities in the Company.

The Company intends to use the results of the Scoping Study to further progress evaluation and development of the Agbaja Project. This is expected to include a drilling program to better define the Inferred Mineral Resource, along with additional evaluation work, to determine whether the Company is able to establish an Indicated Mineral Resource.

-End-

For more information, please contact:

Corporate

Iggy Tan
Managing Director
Kogi Iron Limited
Tel (office): +61 8 9200 3456
Email: info@kogiiron.com

Media Contact

Michael Vaughan
Cannings Purple
Tel (office): +61 8 6314 6300
Email: mvaughan@canningspurple.com.au

About Kogi Iron (ASX: KFE)

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

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

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

Competent Person's Statement

The information in this announcement that relates to 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.