

31 March 2016

KOGI IRON LIMITED MARKET UPDATE

Kogi Iron Limited ("Kogi" or "the company") (ASX: KFE) and its Nigerian based company KCM Mining Limited ("KCM") is pleased to provide a market update to shareholders.

Kogi notes that work is continuing towards the Company becoming an African steel producer through the development of its 100% owned Agbaja iron ore project located on the Agbaja Plateau in Kogi State, Republic of Nigeria.

A previous announcement (14th March 2016) dealt with the testing of a high pressure washing cycle which was completed successfully.

This work has been followed by a second phase of testing, carried out in South Africa which resulted in the satisfactory production of a sponge iron product. We are awaiting confirmation of the specification that has been produced.

Initial discussion/investigation into conversion of the sponge iron into a steel product by a standard process will be confirmed with some additional test work in South Africa. This is envisaged to be completed in early May and will help us to complete plant design which is now well under way.

Board of Directors

Kogi Iron Limited

ENDS