



KORAB RESOURCES LIMITED

KORAB HOUSE

www.korab.com.au

29 August 2018

WINCHESTER MAGNESIUM CARBONATE PROJECT UPDATE

In the interest of keeping the shareholders updated, Korab Resources Ltd ("**Korab**", or "**Company**") (ASX: **KOR**) and its subsidiaries ("**Korab Group**") are pleased to provide the following update regarding the Winchester magnesium carbonate project.

Korab Group has been and still is continuing the discussion and negotiations regarding the terms for:

1. The offtakes for magnesium carbonate rock, caustic calcined magnesia (CCM), and dead burned magnesia (DBM);
2. The use of third parties' facilities (on a toll treatment basis) to process magnesium carbonate rock into caustic calcined magnesia and dead burned magnesia.

Korab Group would like to advise that it is very pleased with the overall progress being made in respect of the offtakes and the toll treatment.

The discussions and negotiations have moved forward very well and we are very encouraged by the strong interest shown by the third parties, and by the potential offtake partners.

Please note that no final terms have been agreed at this point between the Korab Group and the third parties, or the potential offtake partners. Korab Group will advise the market if and when the terms which are currently being negotiated and discussed are formalised into agreements.

Korab Group is further pleased to advise that it has almost completed the review of the feasibility of adding to the crushed magnesium carbonate rock, a second (additional) product line of CCM and DBM to be produced from own magnesium carbonate rock using third parties facilities. Results of this feasibility review will be reported separately to the market once completed (which is expected to be shortly).

The Winchester deposit is located south of Darwin in the Northern Territory, approximately 85km by road, less than a hundred meters from sealed road, and less than 5km from railway line. The deposit is a shallow, flat laying body which can be quarried using drill blasting and excavators. The deposit is covered by up to 5 meters of unconsolidated soil and gravel overburden.

INVESTOR CONTACT:

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ABOUT KORAB RESOURCES

Korab Resources Ltd is an international mining and exploration company with operations in Australia and Europe. Korab's projects include Winchester magnesium carbonate deposit at Batchelor in the Northern Territory of Australia. Korab also explores for gold, cobalt, silver, lead, zinc, copper, nickel, lithium, and tin at Batchelor and Green Alligator in the Northern Territory. Korab also holds Geolsec phosphate rock deposit (near Batchelor) which is sub-leased to a third party. The Company also holds Mt. Elephant copper/gold project (in the Ashburton Mineral Field in Western Australia) which is currently optioned for sales. Overseas, Korab holds a gold and silver deposit at Bobrikovo (in eastern Ukraine) which is currently subject to sale negotiations. More information about Korab's projects can be sourced from Korab's website at www.korab.com.au. Korab Resources Ltd is listed on Australian Securities Exchange, which is Korab's home market. Korab's shares are traded on Australian Securities Exchange (ASX) and on the Berlin Stock Exchange (Börse Berlin).

Issued Capital

Issued Shares: 303 MLN

Last Price: 2.6 cents

Capitalisation: \$8 MLN

Listing Codes

ASX: KOR

BERLIN: C6S

Directors

Andrej K. Karpinski

Executive Chairman
Director

Rodney H. Skeet

Non-executive Director
(Independent)

Daniel A. Smetana

Non-executive Director
(Independent)

Anthony G. Wills

Non-executive Director
(Independent)

Projects

Winchester

(Rum Jungle, NT)

Magnesium carbonate (MgCO₃)

Batchelor

(Rum Jungle, NT)

Au, Ag, Zn, Pb, Ni, Cu, Co, Sc,
Mn

Geolsec

(Rum Jungle, NT)

Phosphate rock
(P2O₅)
(Sub-leased to third party)

Mt. Elephant

(Ashburton, WA)

Au, Cu
(Optioned for sale)



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DISCLAIMER AND CAUTIONARY STATEMENT

Forward-looking statements are statements that are not historical facts. Words such as "expect(s)", "expected", "feel(s)", "believe(s)", "will", "may", "anticipate(s)", "should", "envisage(s)" and similar expressions are intended to identify such forward-looking information. This information includes, but is not limited to statements regarding future exploration results, resources, or reserves, and production. Anyone reading this report is cautioned not to place undue reliance on these forward-looking statements. All of such statements are subject to risks and uncertainties (many of which are difficult to predict and which generally are beyond the control of the Company) that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: those relating to the interpretation of exploration results (including drill results), the geology, grade and continuity of mineral deposits and conclusions of economic evaluations; risks relating to possible variations in reserves, grade, mining dilution, ore loss, and recovery rates; risks relating to changes in project financial and technical parameters; risks relating to the potential for delays in exploration programs, project evaluation/review, completion of feasibility studies and project development; risks related to commodity prices and foreign exchange rate fluctuations; risks related to failure to secure adequate financing on a timely basis and on acceptable terms; risks related to delays in obtaining governmental, or other permits and approvals; risks related to security of tenure; and other risks and uncertainties related to the Company's prospects, properties and business strategy. Any forward-looking information contained in this report is provided as of the date of this report. Except as required under applicable listing rules and securities laws, the Company does not intend, and does not assume any obligation, to update this forward-looking information. Pilbara East and Pilbara West projects are considered to be of early stage, grass roots exploration status.

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