



## **MEDIA RELEASE**

**KORAB RESOURCES LIMITED  
ASX CODE: KOR**

# **KORAB QUADRUPLES EXPLORATION GROUND AT RUM JUNGLE**

Directors of Korab Resources Limited are very pleased to announce that Korab Resources has acquired 100% interest in EL24818 which immediately adjoins the Batchelor project at Rum Jungle uranium complex in the Northern Territory of Australia. The ground is highly prospective for uranium, gold and base metals. Korab decided that the project will be called "Green Alligator".

EL24818 covers 101 square kilometres of highly prospective ground to the south east of the Rum Jungle uranium mine and immediately to the east of the Woodcutters base metals mine.

Rum Jungle complex produced 863,000 tones of ore grading between 0.27% and 0.43% uranium (between 6 lb/t and 9.5 lb/t). Woodcutters was a medium-size base metals mine which produced 6,000,000 tones of ore grading 12% zinc and 6% lead.

"The purchase of EL24818 increases our Rum Jungle exploration acreage where Korab has, or is earning interest, from 35 square kilometres to 136 square kilometres. That means we have now secured four times more ground than before" - Executive Chairman of Korab, Mr. Andrej K. Karpinski said.

Mr. Karpinski confirmed that Korab negotiated an acquisition price of the EL24818 which reflects the highly prospective nature of the ground.

"We have put a lot more emphasis on the future income side rather than concentrate on up-front cash" – he said - "This works best for both Korab and the vendors. We have more cash left for the exploration and they retain greater upside." Korab will pay \$25,000 to the vendors (Imperial Granite & Minerals Pty Ltd) plus a royalty of 1% of net profits from any future production from EL24818.

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As outlined in the Korab's Prospectus 2005, Korab is earning from its joint venture partner New World Alloys, 60% equity in the exploration and mining licences comprising the Batchelor project (immediately to the west of Green Alligator). Korab is the operator of the Batchelor project.

As a result of the acquisition of EL24818 Korab has now an interest as owner, or joint venture partner in 136 square kilometres of prospective ground around Rum Jungle complex. Three quarters of this area is 100% owned by Korab.

"With Korab becoming one of the largest exploration ground holders in the immediate vicinity of the historic uranium mines at Rum Jungle, this acquisition constitutes a major shift in the dynamics of the uranium exploration in the area" – said Korab's Chairman.

"We look forward to getting our team on the ground when the wet season is over. In the meantime we will aim to complete our remote sensing program at Green Alligator. Once this is done, we will evaluate its outcome in the context of previous exploration carried out at the project in the 60-ties and 70-ties." Mr. Karpinski said.

Mr. Karpinski stressed that Korab will continue work on the Batchelor project. "We would like to combine our field work at Green Alligator with work at Batchelor where we have outlined several radiometric (uranium) and geochemical (gold and zinc) anomalies" - he said.

"This acquisition shows our commitment to the Territory and the area around Rum Jungle. In addition to uranium and gold which are the two hottest metals today, we also would like to see progress at Winchester magnesium deposit within the Batchelor project. My wish is to be able to get into a BMW car knowing that its engine block was built from our own magnesium metal. "

**For immediate release**

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