KORAB RESOURCES LIMITED

KORAB HOUSE

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FPO SHARES
Issued: 195 mln
Market Cap: $10 mln
ASX: KOR
Last Price: AU¢ 5.0
BERLIN: C6S.BE
Last Price: € 0.03

Tuesday, 3 November 2015

ASHBURTON DOWNS INVESTMENT IMPLEMENTATION

We refer to ASX report dated 21 September 2015 titled *"ASHBURTON DOWNS COPPER AND GOLD PROJECT INVESTMENT AGREEMENT"* by way of which Korab Resources Ltd ("**Korab**", or "**Company**") (**ASX: KOR**) and its wholly owned subsidiary Australian Copper Pty Ltd (**"Australian Copper"**) advised the market that they have reached an agreement with Mining Resources Development Corporation Pty Ltd (**"MRDC"**) where MRDC would invest $500,000 as new equity into Korab's subsidiary operating the Ashburton Downs project to hold 75% of the subsidiary following the investment.

Korab is pleased to advise that execution of agreements and other documentation necessary to give effect to the above transaction has been completed and the transaction has occurred.

Ashburton Downs project is located in the Pilbara region of Western Australia, 25 km south of Paraburdoo. The project adjoins mineral leases held by Rio Tinto, FMG, BHP Billiton and Norther Star, and covers approximately 800 km² following recent application by Australian Copper for additional tenements E08/2756 and E08/2757.

As reported on 21 September 2015, day-to-day operations of the project will be managed by personnel from MRDC, thus freeing Korab to devote its time, as well as financial and managerial resources to the development and commercialisation of its Northern Territory assets, including the Geolsec phosphate mine, and the Winchester magnesite mine both located approximately 80 km south of Darwin.

Korab's Executive Chairman, Mr Andrej Karpinski commented that this transaction allows Korab to concentrate on Korab's more mature assets with the view to generating near-term cash flow, while retaining upside from any discovery at the Ashburton Downs project.

"Having a dedicated team to explore and manage Ashburton Downs project gives us greater confidence that its potential may be realised in a shortest possible timeframe, and more importantly, that this will occur without distracting us from our main operational and strategic objectives" Mr Karpinski added.

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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 Geolsec phosphate quarry and Winchester magnesite deposit located south of Darwin in the Northern Territory and Bobrikovo gold and silver mine in Ukraine. The Company also explores for gold and copper at Ashburton Downs in Western Australia and for polymetallic deposits at Batchelor in the Northern Territory of Australia. More information about Korab's projects can be sourced from Korab's website at www.korab.com.au. Korab's shares are traded on Australian Securities Exchange (ASX) and on the Berlin Stock Exchange (Berliner Börse) through Equiduct electronic trading platform.