



Korab Resources Limited
ACN 082 140 252

**NOTICE OF GENERAL MEETING
TO BE HELD AT
BGC CENTRE, PLAZA LEVEL, CORNER HOWARD ST
AND THE ESPLANADE, PERTH, WA
AT 5:30 PM ON 28 APRIL 2017
incorporating the Explanatory Memorandum**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES
YOUR IMMEDIATE ATTENTION.
IF YOU ARE IN ANY DOUBT ABOUT THE ACTION YOU SHOULD TAKE
PLEASE CONSULT YOUR STOCKBROKER, SOLICITOR, ACCOUNTANT OR
OTHER PROFESSIONAL ADVISER.**

**TO BE VALID, FORMS OF PROXY FOR USE AT THE EXTRAORDINARY GENERAL MEETING MUST BE COMPLETED AND
RETURNED TO THE COMPANY NO LATER THAN
5:30 PM PERTH TIME ON 26 APRIL 2017**



Section A - Chairman's Letter

Dear Shareholder

The Directors of Korab Resources Limited ("**Korab**" or "**the Company**") have convened a General Meeting of Shareholders to be held on 28 APRIL 2017 to ask Shareholders to:

- (a) Ratify previous issues of a total of 23,153,876 Shares at a various issue prices which raised \$441,450 and repaid \$125,000 loan.
- (b) Approve an issue of a total of up to 24,789,474 Shares to various parties at an issue price of \$0.019 each in satisfaction of various loans totalling \$471,000.
- (c) Approve an issue of a total of up to 7,084,604 Shares at an issue price of not less than \$0.033 each to Mr. Hong Wang.
- (d) Approve an issue of a total of up to 20,000,000 Shares at an issue price of not less than \$0.08 each within 3 months from the receipt of Shareholder approval to various investors who are yet to be determined by the Directors.

Shareholders are encouraged to read the enclosed Explanatory Memorandum, to attend the General Meeting and to vote on the Resolutions. A proxy form is enclosed to enable any Shareholder who is unable to attend the General Meeting to vote at that meeting.

The Directors support Resolution 1, Resolution 2, Resolution 3, and Resolution 4 in the Notice of General Meeting. We recommend that you vote in favour of both Resolutions, the full details of which are contained in the Notice of General Meeting.

Yours faithfully



Andrej K. Karpinski
Chairman



Section B - Glossary

1. Definitions

The following definitions are used in the Chairman's Letter, the Notice of General Meeting and the Explanatory Memorandum:

ASX means ASX Limited ACN 008 624 691;

Board or **Board of Directors** means the board of Directors of the Company;

Business Day means a day which is not a Saturday, Sunday or public holiday in Perth;

Chairman means chairman of the Company, who is currently Andrej Karpinski;

Company or **Korab** means Korab Resources Limited ACN 082 140 252;

Corporations Act means the *Corporations Act* 2001 (Cth);

Directors means the directors of the Company;

Explanatory Memorandum means the explanatory memorandum set out in Section D of this document;

General Meeting means the general meeting of the Company to be held on 28 APRIL 2017 pursuant to the Notice of General Meeting;

Korab Share or **Share** means a fully paid ordinary share in the issued capital of the Company and **Korab Shares** or **Shares** means any two or more of them;

Korab Shareholder or **Shareholder** means a holder of a Share;

Listing Rules means the official listing rules issued and enforced by the ASX as amended from time to time;

Notice of General Meeting or **Notice** means the notice of General Meeting set out in Section C of this document;

Related Party has the meaning ascribed to that term by section 228 of the Corporations Act and **Related Parties** is a reference to more than one Related Party;

Resolution means a resolution passed by the requisite majority of members of the Company on a show of hands or by the requisite majority of votes given on a poll;

Share or **Korab Share** means a fully paid ordinary share in the issued capital of the Company and **Shares** or **Korab Shares** means any two or more of them;

Shareholder or **Korab Shareholder** means a holder of a Share;

\$ means Australian dollars unless specified.



Section C - Notice of General Meeting

NOTICE IS HEREBY GIVEN that a General Meeting of the Shareholders of Korab Resources Limited ACN 082 140 252 (**Korab** or the **Company**) will be held at **BGC Centre, Plaza Level, Corner Howard St and The Esplanade, Perth, WA** on 28 APRIL 2017 at 5:30 pm (Western Standard time).

Defined terms used in this Notice of General Meeting have the meanings given to them in the Glossary accompanying this Notice.

1. Special business

1.1 Resolution 1: Ratify Issue of Shares

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an ordinary resolution:

"That for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 23,153,876 Shares at various issue prices averaging \$0.0245 each to unrelated exempt investors, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."

Voting Exclusion:

The Company will disregard any votes cast on this resolution by a person who participated in the issue and an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

1.2 Resolution 2: Approve Issue of Shares

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an ordinary resolution:

"That for the purpose of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 24,789,474 Shares to various parties at an issue price of \$0.019 each in satisfaction of various loans totalling \$471,000 on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."

Voting Exclusion:

The Company will disregard any votes cast on this resolution by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed and an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

1.3 Resolution 3: Approve Issue of Shares

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an ordinary resolution:

"That for the purpose of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 7,084,604 Shares at an issue price of not less than \$0.033 each to Mr. Hong Wang on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."

Voting Exclusion:

The Company will disregard any votes cast on this resolution by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed and an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.



1.4 Resolution 4: Approve Issue of Shares

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an ordinary resolution:

"That for the purpose of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 20,000,000 Shares at an issue price of not less than \$0.08 each within 3 months from the receipt of Shareholder approval on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."

Voting Exclusion:

The Company will disregard any votes cast on this resolution by a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed and an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or if it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

2. Determination of membership and voting entitlement

For the purpose of determining a person's entitlement to vote at the General Meeting, a person will be recognised as a member of the Company and the holder of Shares if that person is registered as a holder of those Shares at **5:30 pm** Perth time on **26 APRIL 2017**, being 48 hours prior to the General Meeting.

3. Votes of members

On a show of hands, each member present in person or by proxy or, in the case of a body corporate, by a representative at the General Meeting shall have one vote.

On a poll, every member present in person or by attorney or by proxy (or, in the case of a body corporate, by a representative) shall have one vote for each Share held by him, her or it provided that all Shares are fully paid.

4. Proxies

Please note that:

- (a) a member entitled to attend and vote at the General Meeting is entitled to appoint no more than two proxies;
- (b) an instrument appointing a proxy must be in the form of the proxy form attached as Section E to this Notice of General Meeting;
- (c) where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights if a member appoints two proxies, and the appointment does not specify the proportion of the member's voting rights each proxy may exercise, each proxy may exercise one-half of the voting rights;
- (d) a proxy need not be a member of the Company;
- (e) a proxy form may specify the manner in which the proxy is to vote in respect of a particular Resolution and, where a proxy form so provides, the proxy is not entitled to vote on the Resolution except as specified in the proxy form;
- (f) a proxy has the authority to vote on the member's behalf as he or she thinks fit, on any motion to adjourn the Extraordinary General Meeting, or any other procedural motion, unless the member gives a direction to the contrary;
- (g) a valid proxy form will be deemed to confer authority to demand or join in demanding a poll;
- (h) to be valid, a proxy form must be signed by the member or the member's attorney or, if the member is a corporation, executed in accordance with the corporation's constitution and the Corporations Act (and may be signed on behalf of the corporation by its attorney); and
- (i) to be valid, a proxy form and the power of attorney or other authority (if any) under which it is signed (or an attested copy of it) must be received by no later than **5:30 pm** on **26 APRIL 2017**:



with the Company:

- in person:

Korab Resources Ltd
Ground Floor, 20 Prowse Street
West Perth WA 6005

Or - by mail:

Korab Resources Ltd
PO Box 1958
West Perth WA 6872
Australia

Or - by facsimile:

(08) 9322 6333

Or - by email:

proxy@korab.com.au

By Order of the Board



Andrej K. Karpinski
Chairman

Dated: 21 March 2017



Section D - Explanatory Memorandum

1. Introduction

This Explanatory Memorandum contains the information needed for Korab Shareholders to assess the Resolutions to be put to them at the General Meeting of the Company on 28 APRIL 2017. A Notice of General Meeting accompanies this document.

This Explanatory Memorandum, as well as the Notice of General Meeting, should be read carefully and in their entirety.

2. Resolution 1 – Ratify Issue of Shares

2.1 Background

Subject to certain exceptions, none of which are relevant here, the Directors are restricted by Listing Rule 7.1 from issuing or agreeing to issue new securities in the Company in any 12 month period, which amount to more than 15% of the Company's ordinary securities on issue, without Shareholder approval ("15% Limit").

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior Shareholder approval, provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The effect of such ratification is to restore a company's maximum discretionary power to issue further securities up to 15% of the issued capital of the company without requiring Shareholder approval.

The Directors seek ratification by the Company of these issues pursuant to Listing Rule 7.4, in order to limit the restrictive effect of Listing Rule 7.1 on any further issues of securities in the next 12 months.

Following table shows the number of Shares, the date and the issue price of each issue being the subject of this Resolution.

Date of Issue	Number of Shares Issued	Share Issue Price	15% Placement Capacity at the Time of the Issue	Shares Issued During 12 Months Prior to the Issue	15% Placement Capacity Remaining Prior to the Issue
28/06/2016	5,434,783	\$0.023	29,278,559	7,447,183	21,831,376
15/07/2016	1,523,819	\$0.050	29,278,559	12,881,966	16,396,593
22/07/2016	733,642	\$0.050	29,278,559	14,405,785	14,872,774
30/08/2016	3,157,935	\$0.050	29,278,559	15,139,427	14,139,132
31/12/2016	5,150,000	\$0.015	29,451,059	17,147,362	12,303,697
4/01/2017	215,866	\$0.015	29,451,059	22,297,362	7,153,697
19/01/2017	6,937,831	\$0.013	29,451,059	22,513,228	6,937,831

Prior to the issue of 5,434,783 Shares on 28 June 2016, the Company's capacity to issue equity securities within the 15% Limit was 21,831,376 securities. Accordingly the issue of 5,434,783 Shares did not breach the 15% threshold set by Listing Rule 7.1. These shares were issued in lieu of repayment of \$125,000 convertible loan provided to the Company by an unrelated party.

Prior to the issue of 1,523,819 Shares on 15 July 2016, the Company's capacity to issue equity securities within the 15% Limit was 16,396,593 securities. Accordingly the issue of 1,523,819 Shares did not breach the 15% threshold set by Listing Rule 7.1. The Shares were issued to Mr. Hong Wang at an issue price of \$0.05 each.

Prior to the issue of 733,642 Shares on 22 July 2016, the Company's capacity to issue equity securities within the 15% Limit was 14,872,774 securities. Accordingly the issue of 733,642 Shares did not breach the 15% threshold set by Listing Rule 7.1. The Shares were issued to Mr. Hong Wang at an issue price of \$0.05 each.

Prior to the issue of 3,157,935 Shares on 30 August 2016, the Company's capacity to issue equity securities within the 15% Limit was 14,139,132 securities. Accordingly the issue of 3,157,935 Shares did not breach the 15% threshold set by Listing Rule 7.1. The Shares were issued to Mr. Hong Wang at an issue price of \$0.05 each.

Prior to the issue of 5,150,000 Shares on 31 December 2016, the Company's capacity to issue equity securities within the 15% Limit was 12,303,697 securities. Accordingly the issue of 5,150,000 Shares did not breach the 15% threshold set by Listing Rule 7.1. The Shares were issued to various unrelated exempt investors at an issue price of \$0.015 each.

Prior to the issue of 215,866 Shares on 4 January 2017, the Company's capacity to issue equity securities within the 15% Limit was 7,153,697 securities. Accordingly the issue of 215,866 Shares did not breach the 15% threshold set by Listing Rule 7.1. The Shares were issued to unrelated exempt investor at an issue price of \$0.015 each.



Prior to the issue of 6,937,831 Shares on 19 January 2017, the Company's capacity to issue equity securities within the 15% Limit was 6,937,831 securities. Accordingly the issue of 6,937,831 Shares did not breach the 15% threshold set by Listing Rule 7.1. The Shares were issued to various unrelated exempt investors at an issue price of \$0.013 each.

The following information is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) A total of 23,153,876 Shares were allotted on various dates and at various issue prices detailed above averaging \$0.0245 each between 28 June 2016 and 19 January 2017.
- (b) The Shares are fully paid ordinary shares that rank equally in all respect with existing Shares, the terms of which are already in the public domain.
- (c) The Shares were allotted to various exempt investors.
- (d) None of the allottees are Related Parties to the Company, or associates of the Company's Related Parties.
- (e) Approximately \$441,450 was raised and \$125,000 loan was repaid as a result of these issues of Shares. Funds raised were used for working capital and reduction of liabilities.

2.2 Recommendation of Directors

If Resolution 1 is passed, the 15% Limit imposed by Listing Rule 7.1 will be renewed to the extent of the ratification. The Directors of the Company unanimously recommend that Shareholders vote in favour of Resolution 1 to maximise the Company's flexibility to issue additional securities going forward.

3. Resolution 2 – Approve Issue of Shares

3.1 Background

Subject to certain exceptions, none of which are relevant here, the Directors are restricted by Listing Rule 7.1 from issuing or agreeing to issue new securities in the Company in any 12 month period, which amount to more than 15% of the Company's ordinary securities on issue, without Shareholder approval ("15% Limit").

The Directors wish to secure approval by the Company for this issue pursuant to Listing Rule 7.1 in order to limit the restrictive effect of Listing Rule 7.1 on any further issues of securities in the next 12 months.

The following information is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) A total of up to 24,789,474 Shares will be allotted to various parties at an issue price of \$0.019 each in satisfaction of various loans totalling \$471,000 provided to the Company by these investors.
- (b) The Shares are fully paid ordinary shares that rank equally in all respect with existing Shares, the terms of which are already in the public domain.
- (c) The Shares will be allotted to various parties who have provided loans to the Company.
- (d) None of the allottees are Related Parties to the Company, or associates of the Company's Related Parties.
- (e) Full subscription monies have already been provided to the Company as loans and consequently no additional funds will be raised as a result of this issue of Shares however the liabilities of the Company will be reduced by \$471,000. If Shareholders do not approve this issue, loans totalling \$471,000 will be repayable to the lenders within 3 business days from 30 April 2017.
- (f) The Shares will be allotted on one date, and not on progressive dates within 3 business days from the date the Shareholder approval is received for this issue but in any case no later than 3 months after the date of the General Meeting, if Shareholders approve Resolution 2.

4. Resolution 3 – Approve Issue of Shares

4.1 Background

Subject to certain exceptions, none of which are relevant here, the Directors are restricted by Listing Rule 7.1 from issuing or agreeing to issue new securities in the Company in any 12 month period, which amount to more than 15% of the Company's ordinary securities on issue, without Shareholder approval ("15% Limit").

The Directors wish to secure approval by the Company for this issue pursuant to Listing Rule 7.1 in order to limit the restrictive effect of Listing Rule 7.1 on any further issues of securities in the next 12 months.

The following information is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) A total of up to 7,084,604 Shares will be allotted at an issue price of not less than \$0.033 each to Mr. Hong Wang. Mr. Wang has previously been allotted 5,415,396 Shares at an issue price of \$0.05 each (see Resolution 1 for details). If 7,084,604 Shares which are the subject of this Resolution 3 are allotted to Mr Wang, Mr. Wang will have paid an average of not less than \$0.04 per share for his aggregate investments in the Company.



- (b) The Shares are fully paid ordinary shares that rank equally in all respect with existing Shares, the terms of which are already in the public domain.
- (c) The Shares will be allotted to Mr. Hong Wang.
- (d) The allottee is not a Related Party to the Company, or associate of the Company's Related Party.
- (e) Approximately \$230,000 will be raised as a result of this issue of Shares to be used for working capital and reduction of liabilities.
- (f) The Shares will be allotted on one date, or on progressive dates, no later than 3 months after the date of the General Meeting, if Shareholders approve Resolution 3.

5. Resolution 4 – Approve Issue of Shares

5.1 Background

Subject to certain exceptions, none of which are relevant here, the Directors are restricted by Listing Rule 7.1 from issuing or agreeing to issue new securities in the Company in any 12 month period, which amount to more than 15% of the Company's ordinary securities on issue, without Shareholder approval ("15% Limit").

The Directors wish to secure approval by the Company for this issue pursuant to Listing Rule 7.1 in order to limit the restrictive effect of Listing Rule 7.1 on any further issues of securities in the next 12 months.

The following information is provided to Shareholders for the purposes of Listing Rule 7.3:

- (a) A total of up to 20,000,000 Shares will be allotted at an issue price of not less than \$0.08 each to exempt investors.
- (b) The Shares are fully paid ordinary shares that rank equally in all respect with existing Shares, the terms of which are already in the public domain.
- (c) The Shares will be allotted to yet to be determined exempt investors selected at the discretion of the Directors.
- (d) None of the allottees are Related Parties to the Company, or associates of the Company's Related Parties.
- (e) \$1,600,000 will be raised as a result of this issue of Shares if 20,000,000 Shares are issued at \$0.08 each. Directors may decide to issue fewer than 20,000,000 Shares. Directors may decide to issue the Shares at the issue price which may be higher than \$0.08 each. Funds raised will be used working capital and reduction of liabilities.
- (f) The Shares may be allotted on one date, or on progressive dates, no later than 3 months after the date of the General Meeting, if Shareholders approve Resolution 4.



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Proxy Form

Korab Resources Limited, ACN 082 140 252 (the Company)

I/We (name of member)

of

Shareholder Reference Number/Holder Identification Number

being a member/members of Korab Resources Limited ACN 082 140 252 appoint:

(Name of the proxy, or name of the office held by the proxy)

(Address of the proxy)

or failing him or her, the Chairman of the meeting as my proxy vote on my behalf at the General Meeting of the Company to be held on 28 APRIL 2017 and any adjournment of that meeting.

If two proxies are being appointed, the proportion of the voting rights that this proxy is authorised to exercise is _____. (The Company will supply an additional form on request.)

PROXY INSTRUCTIONS

PLEASE NOTE THAT IF YOU APPOINTED THE CHAIRMAN OF THE MEETING AS YOUR PROXY, YOU HAVE TO MARK EITHER BOX A OR BOXES B. IF YOU DO NOT MARK BOX A, AND YOU HAVE NOT DIRECTED YOUR PROXY HOW TO VOTE ON THE RESOLUTIONS BY MARKING THE BOXES B, THE CHAIRMAN WILL NOT CAST YOUR VOTES ON THE RESOLUTIONS, AND YOUR VOTES WILL NOT BE COUNTED IN CALCULATING THE REQUIRED MAJORITY IF A POLL IS CALLED ON THE RESOLUTIONS. THE CHAIRMAN WILL VOTE IN FAVOUR OF EACH RESOLUTION IN WHICH HE RECEIVES UNDIRECTED PROXIES.

If the Chairman of the meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as proxy in respect of a Resolution, please place a mark in the box. By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the Resolutions and votes cast by him other than as proxy holder will be disregarded because of that interest.

☐ A

If you wish to instruct your proxy how to vote, insert X in the appropriate column against each item of business set out below. Otherwise your proxy may vote as he/she thinks fit or abstain from voting.

I/We instruct my/our proxy to vote as follows:

		For	Against	Abstain	
Resolution 1	Ratify issue of Shares	☐	☐	☐	B
Resolution 2	Approve issue of Shares	☐	☐	☐	
Resolution 3	Approve issue of Shares	☐	☐	☐	
Resolution 4	Approve issue of Shares	☐	☐	☐	

Where this Proxy Form is signed under power of attorney, the Attorney(s) declare(s) that he/she/they has/have not received any notice of the revocation of such power.

Dated:

Signed:

Signed:

Name (printed):

Name (printed):

Capacity:

Capacity:

- If joint holders, each must sign.
- Companies must execute:
 - under seal; or
 - by two Directors signing this Proxy Form; or
 - by a Director and a company secretary signing this Proxy Form; or
 - (where it is a proprietary company where the sole director is also the sole company secretary) by that director signing this Proxy Form; or
 - by authorised officer; or
 - by attorney.

Please forward your proxy by no later than 5:30 pm Perth time, on 26 APRIL 2017 to Korab Resources Limited
PO Box 1958 West Perth WA 6872
or by fax to (08) 9322 6333



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