KORAB RESOURCES LIMITED

KORAB HOUSE

www.korab.com.au

23 November 2016

HIGH GRADE ZINC, LEAD AND SILVER AT RUM JUNGLE, CORPORATE RESTRUCTURING REVIEW

RC & DIAMOND CORE DRILLING HIGHLIGHTS

Hole	From (m)	To (m)	Interval (m)	Ag (ppm)	Zn (%)	Pb (%)
BRC12	**68**	**81**	**13**	**4**	**4.71**	**0.38**
Including	*78*	*79*	*1*	***15***	***20.60***	***0.32***
	79	*80*	*1*	***10***	***11.80***	***1.53***
	80	*81*	*1*	*4*	*7.35*	*0.39*
BRC12	**88**	**101**	**13**	**4**	**3.14**	**0.11**
Including	*90*	*91*	*1*	***8***	***5.34***	***0.05***
	93	*94*	*1*	***14***	***7.79***	***0.15***
	94	*95*	*1*	*4*	*4.15*	*0.14*
	97	*98*	*1*	***4***	***6.38***	***0.09***
WBD06	**36**	**58**	**22**	**78**	**0.21**	**3.16**
Including	*42*	*44*	*2*	***210***	***0.16***	***8.38***
	44	*46*	*2*	***135***	***0.16***	***13.50***
	48	*50*	*2*	*99*	*0.79*	*2.36*
	50	*52*	*2*	***115***	***0.21***	***2.08***
WBP01	**101**	**124**	**23**	**15**	**4.98**	**1.60**
Including	*104*	*105*	*1*	***10***	***5.74***	***0.11***
	107	*108*	*1*	***7***	***5.94***	***0.85***
	108	*109*	*1*	*10*	*12.40*	*1.13*
	111	*112*	*1*	***10***	***9.50***	***0.49***
	115	*116*	*1*	***45***	***13.60***	***0.98***
	116	*117*	*1*	***19***	***7.04***	***0.29***
	117	*118*	*1*	*110*	*24.30*	*17.30*
	118	*119*	*1*	***50***	***14.60***	***5.60***
	119	*120*	*1*	***40***	***8.66***	***2.70***
	120	*121*	*1*	***13***	***3.08***	***1.41***

Figure 1 Drilling results highlights

Korab Resources Ltd ("**Korab**", or "**Company**") (**ASX: KOR**) is pleased to report outcome of the review of historical drilling results which confirmed presence of high grade zinc, lead and silver mineralisation within Korab's exploration ground near Batchelor town in the Rum Jungle mineral field.

Issued Capital

Shares: 213 mln
Options: 4 mln
Last Price: 2.3 cents

ASX: KOR
BERLIN: C6S.BE

Projects

Winchester (NT)
Magnesium carbonate (MgCO3)

Geolsec (NT)
Phosphate rock (P2O5)

Batchelor (NT)
Au, Ag, Zn, Pb, Ni, Cu, Co

Mt. Elephant (WA)
Au, Cu

Bobrikovo (UKR)
Au, Ag, Pb

The high grade zinc, lead and silver intercepts occur at White Bomb/Glen Luckie prospects in the similar setting as the Woodcutters zinc, lead and silver mine located 8km to the north and are of similar tenor. Plan showing collar location on historical soil Zn geochemical survey is shown below. Additional diagrams showing hole traces on soil Zn geochemistry draped over topography are shown further in the text of this report.

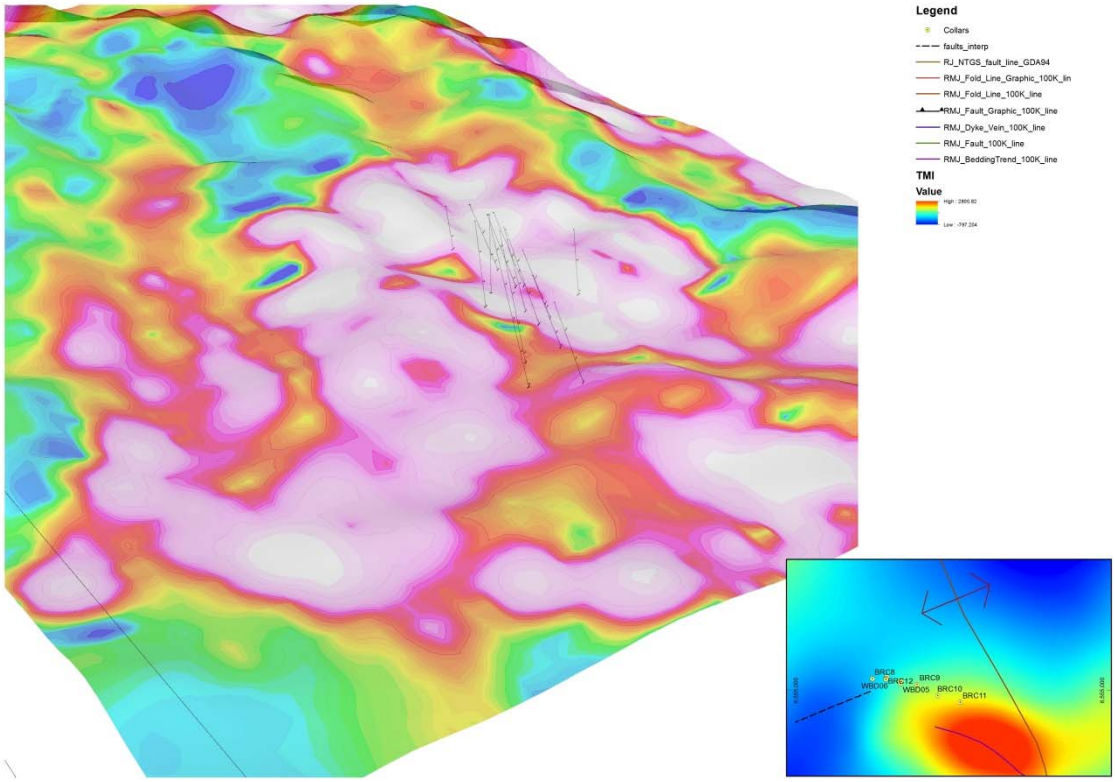

Figure 2 Drill hole traces on historical high resolution Zn soil geochemistry draped over topography looking north-east (inset drill collars on magnetic survey TMI image and structural data)

The zinc/lead/silver drilling results are most encouraging, both for the possibilities they present for finding discordant, structurally emplaced orebodies and for large stratiform or stratabound base metal deposits. There is evidence of both styles of mineralisation in the region. The former were discovered at the Woodcutters mine and at Area 44 locality 8km to the north from the find. The later were discovered in the Embayment area at Rum Jungle (Browns, Mt. Fitch and Whites) 15-20km to the north west from White Bomb.

The possibility of a large stratiform base metal deposit in the White Bomb/Glen Luckie area is suggested by the great thicknesses of significantly mineralised graphitic and pyritic sediments drilled at this location. White Bomb appears to lie on a mineralised trend extending over 4km, which is part of a 16 km long target horizon (see diagram further in the text of this report) and includes the nearby prospects of White Bomb East, the CRAE lead-zinc prospect, and possibly the Occidental lead-zinc prospect. White Bomb/Glen Luckie are located on an exploration lease E29550 and extend onto four granted mining leases MLN512, MLN5013, MLN514 and MLN515.

Korab has secured original drill logs, plans, sections, laboratory assays, partial pulps and drill chips and associated materials. Logging shows that the mineralisation occurs as sphalerite (zinc sulphide) and galena (lead sulphide with occasionally large amounts of silver). The mineralisation occurs primarily in a chlorite-

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carbonate altered dolerite sill. In WBD06 driller reported faulting and fractures within the intervals where high grade lead and silver were assayed. The intervals with high grade lead and silver contained between quartz and carbonate veins (varying from 20% to 70%) with dark-grey pyrite and graphitic siltstone.

Further drilling is needed at White Bomb/Glen Luckie to test for shallower and hopefully large tonnages of base metal sulphides in the vertical zone between the gossan and the high grade intersections as well as along trend.

Potential Corporate Restructuring

In view of the already confirmed excellent exploration potential of this and other Korab group's projects and the difficulty of managing concurrently the exploration programs and the development of magnesium carbonate mine, Korab has commenced review of viable options to separate the exploration assets and the development assets into two separate listed entities which would then be managed independently by their respective dedicated experienced professional technical teams. As part of this review, the Company has commenced discussions with a number of experienced professionals from mining, engineering and geosciences sectors who expressed interest in becoming involved in the restructure and in the ongoing running of the entities.

Korab holds approximately 250 square kilometres of exploration and mining leases at Batchelor covering multiple previously reported gold, zinc, lead, silver, cobalt, copper and other anomalies including several high grade targets for further exploration (see Figure 7). The Winchester magnesium carbonate deposit (which is being developed as a direct shipping ore operation) is contained within a separate mineral lease held by Korab's wholly owned subsidiary Ausmag Pty Ltd. The Geolsec phosphate rock quarry is contained within a separate mineral lease held by another Korab's wholly owned subsidiary Geolsec Phosphate Operation Pty Ltd. Geolsec is currently under review. One of the options being considered as part of this review is to lease the Geolsec project to a third party in exchange for an ongoing periodical payment plus a royalty on extracted material..

There are several advantages to separating the non-magnesium-related exploration operations from the magnesium development and mining operations. The split-up would:

1. Allow both of the listed entities to build separate dedicated teams with the prerequisite sets of specific skills and expertise necessary to add value to their respective mineral assets.
2. Enable each listed entity to maintaining focus necessary to achieve success.
3. Enable the investment sector to evaluate and assess each entity on the basis of its coherent set of assets, capabilities and clearly defined objectives.

Geological Setting of Zinc/Lead/Silver Mineralisation at Batchelor/Rum Jungle

Woodcutters Ag-Pb-Zn base metal deposit is situated in the Palaeoproterozoic Pine Creek Orogen, immediately adjacent to the Stuart Highway 70 km south of Darwin. The deposit was discovered in 1966 by BMR drill testing of a soil geochemical anomaly. Open pit mining commenced in 1985 and was followed by underground development in late 1986. The mine closed in May 1999. Ore production totalled 4.65 Mt at 12.28% Zn, 5.65% Pb, and 87 g/t Ag. At Woodcutters, base metal mineralisation occurs along two north-striking vertical faults, 1 and 5 Faults, which cut the axis of the Woodcutters Anticline. Orebodies along the faults are referred to as 1 and 5 orebodies respectively. Both orebodies have limited strike length but substantial depth dimensions. Coomalie Dolomite underlies Whites Formation at approximately 800 m below the pit. The bulk of 1 and 5 orebodies occur as vertical shoots above a thrust that dips west and is parallel to bedding. Eastward thrust displacement along the 300 Shear is less than 50 m. The Woodcutters orebody dips moderately west below the 300 Shear where it is referred to as the C Zero orebody. Little mineralisation is recorded within Coomalie Dolomite.

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Mt. Elephant (WA)
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Bobrikovo (UKR)
Au, Ag, Pb

All mineralisation models recognise the structurally controlled nature of the deposit. The following is a structural model based on the results of the Woodcutters pit mapping, incorporating regional structure, and previous geological investigations:

1. Regional east-west compression of the Barramundi Orogeny initially formed north-striking open folds (e.g. Woodcutters Anticline).
2. Synchronous updoming of the Rum Jungle basement complex resulted in fold tightening, differential flattening, plunge reversals and curving of the Woodcutters anticlinal axis to the southwest.
3. Dome-related east-south-east/west-north-west compression resulted in sinistral transpressional movement along the north-striking 1 and 5 Faults, and associated small scale disharmonic folding. Sinistral transpressional movement along 1 Fault displaced the axis of the Woodcutters Anticline to the south. Transpressional faulting locally rotated the axis into north-south alignment and tightened the anticline.
4. Lamprophyre dykes intruded dilational parts of the 1 and 5 Faults and also the north-north-west-striking dilational riedel shears (intrusion was probably synchronous with inferred granite intrusion and updoming beneath the Rum Jungle Complex).
5. The 1 and 5 orebodies formed two en-echelon vertical shoots where the transpressional faults intersect the locally domed axis of the Woodcutters Anticline.
6. Mineralised north-north-west quartz veins striking north-north-west intruded riedel shears that formed adjacent to the transpressional faults.
7. The S36 orebody formed in a dilational hinge zone of an anticlinal drag fold related to transpressional movement of 1 Fault.
8. Small scale reverse and thrust faulting (focussed on the 1 and 5 Faults) displaced, and in places deformed, the mineralisation (the 300 Shear displaces the orebodies at depth).
9. The northwest sinistral faults displaced the calcareous dyke.

Exploration guide for Zn/Pb/Ag mineralisation within the area based on the results of the Woodcutters structural study includes the following features, all of which are present at the White Bomb prospect:

- ✓ Proximity to regional scale basement domes.
- ✓ The intersection of regional scale anticlines and transpressional fault zones.
- ✓ Localised fault-induced changes in the orientation of anticlinal axis or changes in plunge directions.
- ✓ Presence of fault-related medium to small scale folds, especially disharmonic folds.
- ✓ Fault (shear) zones containing deformed lamprophyre dykes or sulphidic quartz veins.
- ✓ Localised fault bends and dilational fault jogs.
- ✓ Fault zones with associated cross cutting mineralised quartz vein arrays.

The prospectivity of the area and the results to date unquestionably warrant significant dedicated exploration effort to test the possibility of a large stratiform base metal deposit in the White Bomb/Glen Luckie area. Potential corporate restructuring which may result from the current review would aim to ensure that this exploration effort is well managed, well-funded and most importantly, that it does not distract from the development of the Winchester magnesium carbonate project.

References

Fleming M J, Ormsby W R and Nicholson P M, 1994 - The Geology of the Woodcutters Lead-Zine-Silver Mine: in 1994 AusIMM Annual Conference, Darwin, August 1994 The AusIMM, Melbourne, pp. 21-28

Roberts W M B 1975 - Woodcutters L 5 Lead-zinc prospect, Rum Jungle: in Knight C L, (Ed.), 1975 Economic Geology of Australia & Papua New Guinea The AusIMM, Melbourne Mono 5 pp 277-281

Smolonogov S and Marshall B 1993 - A genetic model for the Woodcutters Pb-Zn-Ag orebodies, Northern Territory, Australia: in Ore Geology Reviews v8 pp 65-88

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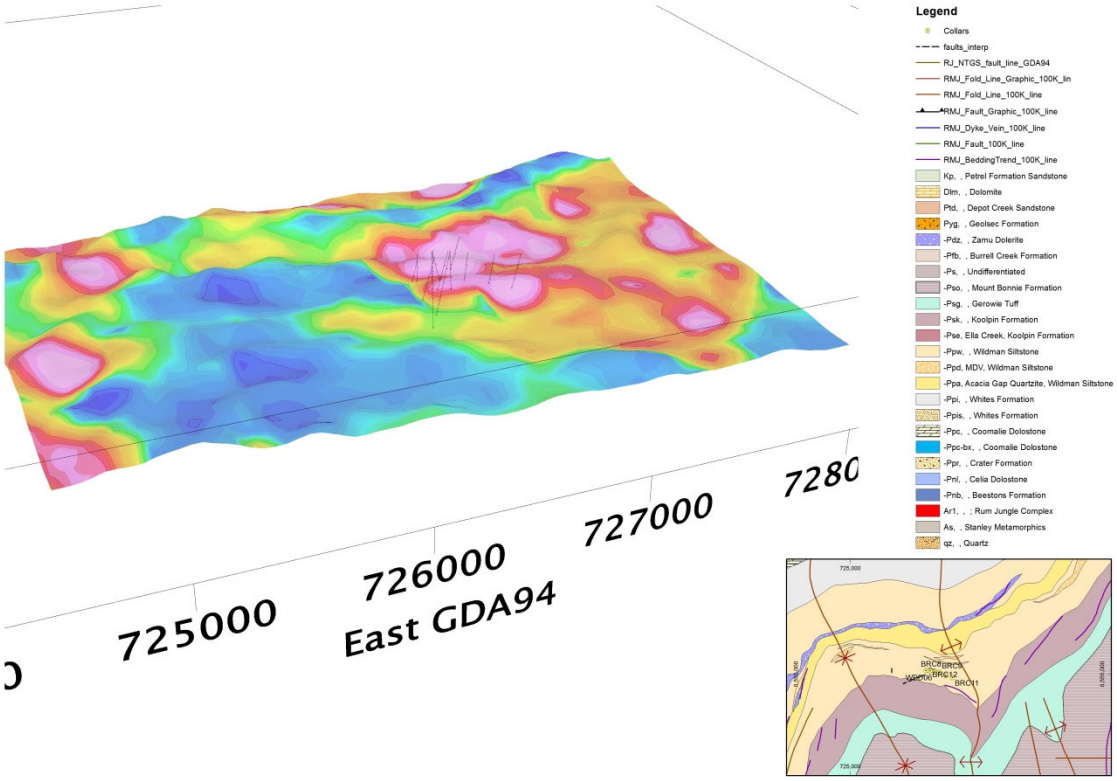

Figure 3 General orientation of drill holes on broad resolution soil Zn geochem draped over topography looking north-west (inset drill collars on local geology and structural data)

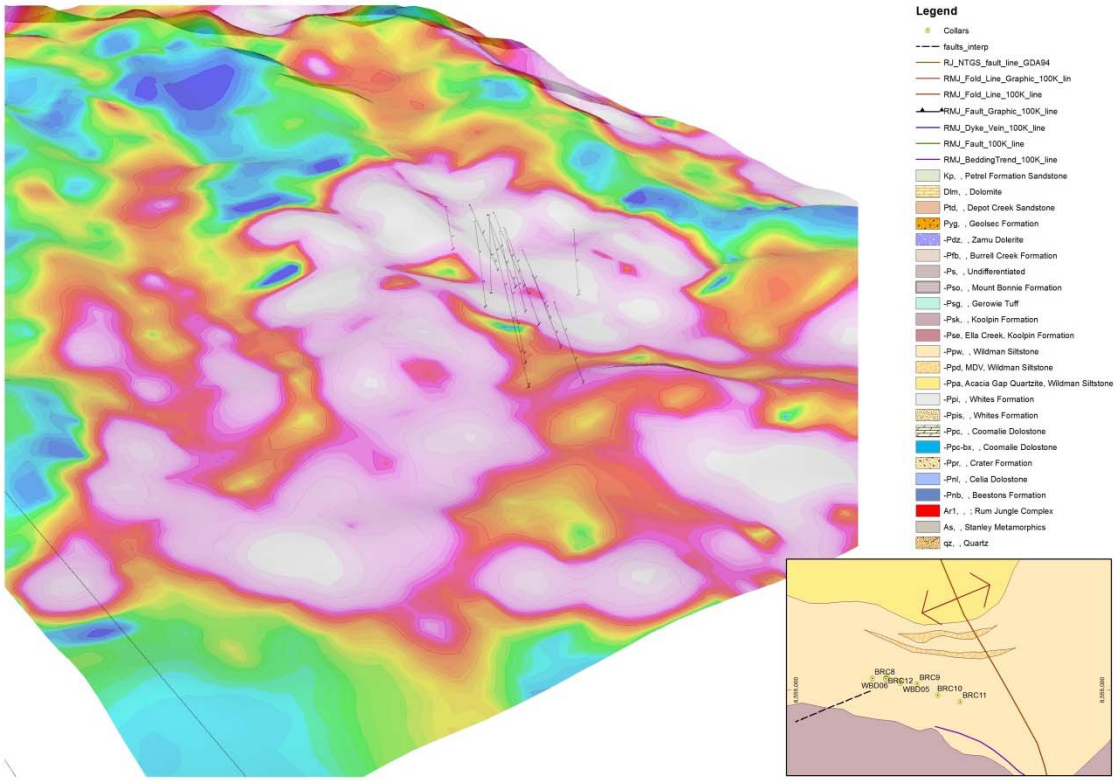

Figure 4 Drill hole traces on high resolution soil Zn geochem draped over topography looking north-east (inset drill collars on local geology and structural data)

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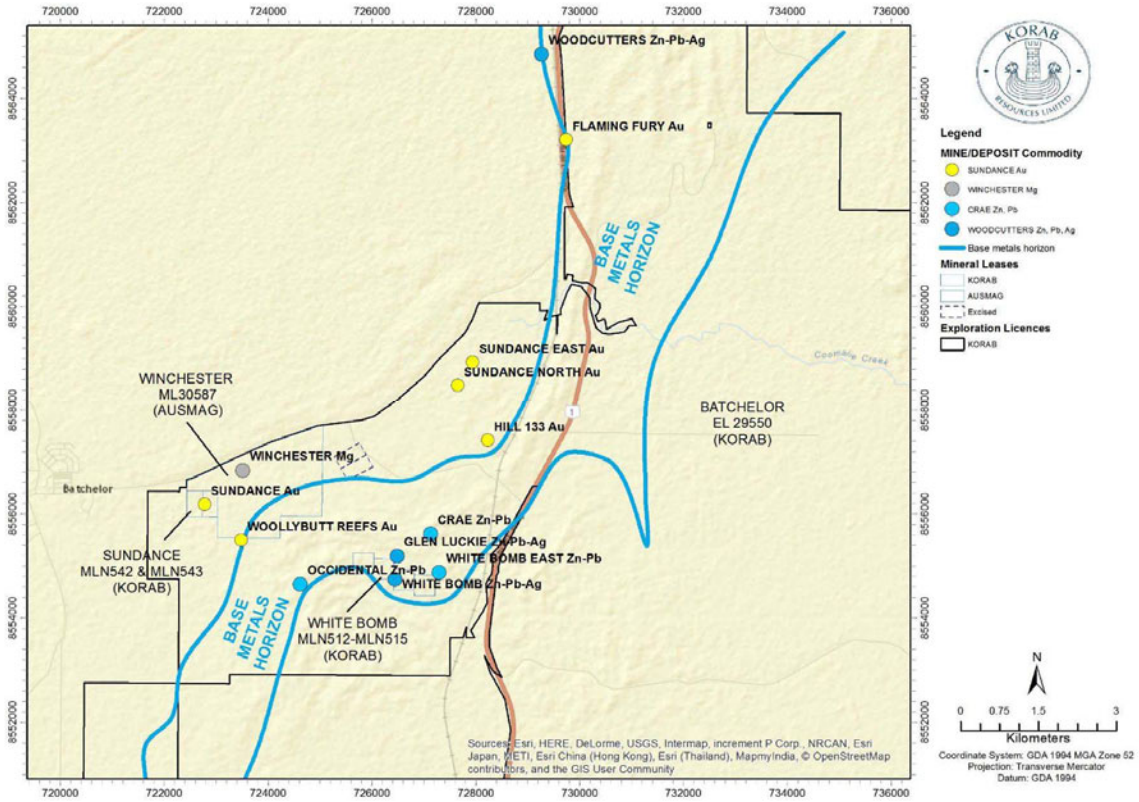

Figure 5 Base metals horizon

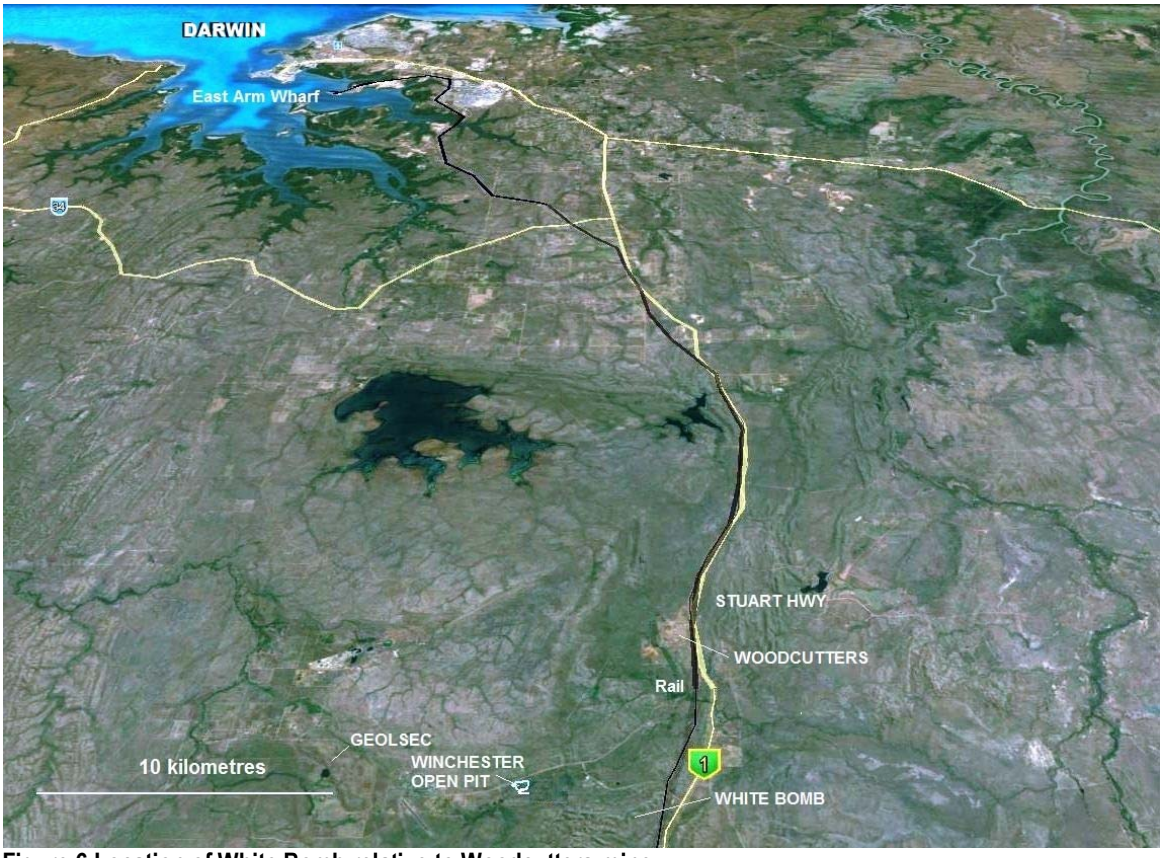

Figure 6 Location of White Bomb relative to Woodcutters mine

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Batchelor (NT)
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Mt. Elephant (WA)
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Bobrikovo (UKR)
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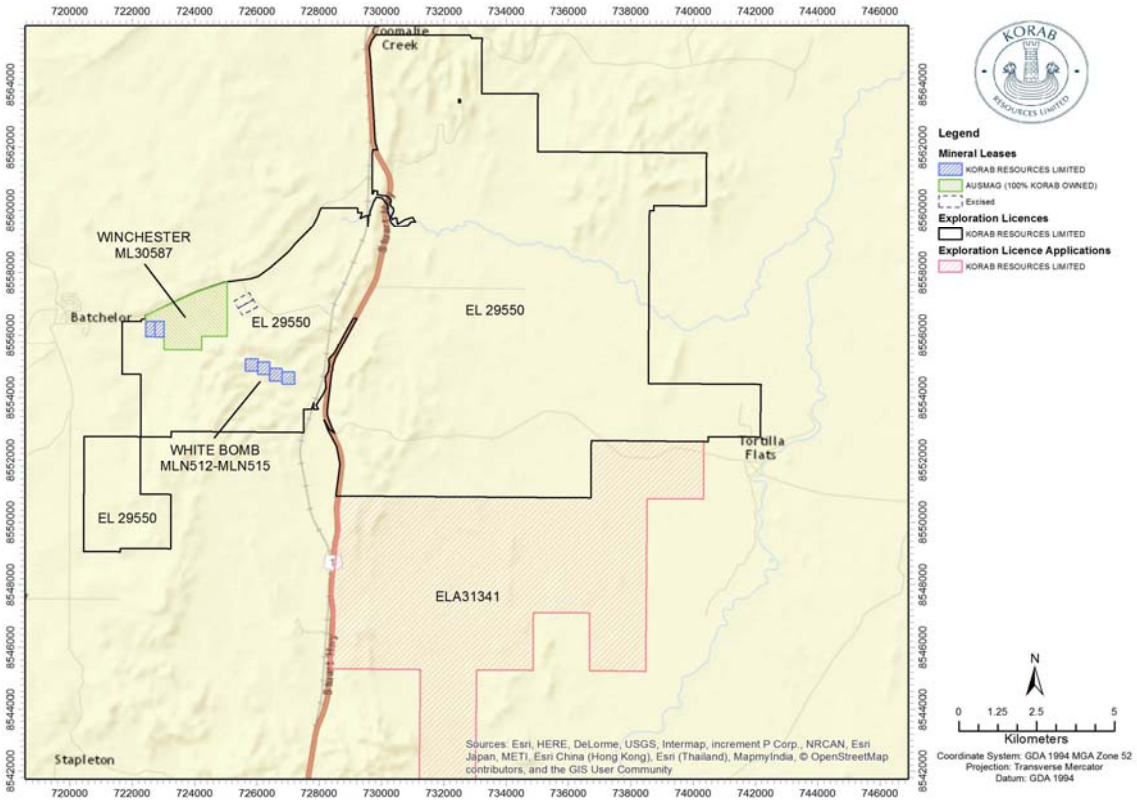

Figure 7 Korab group mineral and exploration leases

COMPETENT PERSON STATEMENT

The information in this report that relates to exploration results reported in this report is based on information compiled by the Company and reviewed by Malcolm Castle, a competent person who is a Member of the Australasian Institute of Mining and Metallurgy ("AusIMM"). Malcolm Castle is a consultant geologist employed by Agricola Mining Consultants Pty Ltd. Mr Castle has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("JORC Code"). Malcolm Castle consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

CONTACT:

Andrej K Karpinski, Executive Chairman - Australia: (08) 9474 6166, International: +61 8 9474 6166

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 and Geolsec phosphate rock deposit at Batchelor in the Northern Territory of Australia as well as a gold and silver deposit at Bobrikovo in eastern Ukraine. The Company also explores for gold and copper at Ashburton Downs in Western Australia and for various metals and specialty minerals at Batchelor in the Northern Territory. 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.

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

Mt. Elephant (WA)
Au, Cu

Bobrikovo (UKR)
Au, Ag, Pb

Hole ID	From m	To m	Interval m	Ag ppm	Pb %	Zn %	Grades Guide
BRC12	69	70	1	3	0.45	3.08	
BRC12	71	72	1	2	0.28	1.95	
BRC12	72	73	1	4	0.37	2.55	
BRC12	73	74	1	5	0.31	2.69	
BRC12	74	75	1	3	0.29	2.73	
BRC12	76	77	1	2	0.11	2.25	
BRC12	78	79	1	15	0.32	20.60	
BRC12	79	80	1	10	1.53	11.80	
BRC12	80	81	1	4	0.39	7.35	
BRC12	88	89	1	5	0.09	4.01	
BRC12	90	91	1	8	0.05	5.34	
BRC12	91	92	1	3	0.07	2.15	
BRC12	92	93	1	4	0.05	3.01	
BRC12	93	94	1	14	0.15	7.79	
BRC12	94	95	1	4	0.14	4.15	
BRC12	97	98	1	4	0.09	6.38	
BRC12	98	99	1	2	0.28	2.32	
WBD06	42	44	2	210	8.38	0.16	
WBD06	44	46	2	135	13.50	0.16	
WBD06	46	48	2	71	1.39	0.25	
WBD06	48	50	2	99	2.36	0.79	
WBD06	50	52	2	115	2.08	0.21	
WBD06	54	56	2	61	1.26	0.10	
WBD06	56	58	2	90	1.44	0.09	
WBP01	104	105	1	10	0.11	5.74	
WBP01	106	107	1	5	1.34	1.57	
WBP01	107	108	1	7	0.85	5.94	
WBP01	108	109	1	10	1.13	12.40	
WBP01	111	112	1	10	0.49	9.50	
WBP01	115	116	1	45	0.98	13.60	
WBP01	116	117	1	19	0.29	7.04	
WBP01	117	118	1	110	17.30	24.30	
WBP01	118	119	1	50	5.60	14.60	
WBP01	119	120	1	40	2.70	8.66	
WBP01	120	121	1	13	1.41	3.08	
WBP01	123	124	1	7	1.15	1.38	
WBP02	16	18	2	31	1.97	0.14	
WBP02	22	24	2	8	2.50	0.26	
WBP03	64	66	2	8	0.74	1.90	
WBP03	70	72	2	15	0.37	1.60	
WBP03	72	74	2	11	1.45	1.95	
WBP03	74	76	2	10	1.76	5.12	

Figure 8 High grade metals intervals

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Bobrikovo (UKR)
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APPENDIX A

PART 1

HIGH GRADE DRILLHOLE INTERCEPTS

Hole ID	From m	To m	Interval m	Ag g/t	Pb %	Zn %	Grade Graph
BRC12	68	69	1	0.00	0.31	1.27	
BRC12	69	70	1	3.00	0.45	3.08	
BRC12	70	71	1	1.00	0.26	1.40	
BRC12	71	72	1	2.00	0.28	1.95	
BRC12	72	73	1	4.00	0.37	2.55	
BRC12	73	74	1	5.00	0.31	2.69	
BRC12	74	75	1	3.00	0.29	2.73	
BRC12	75	76	1	1.00	0.17	1.60	
BRC12	76	77	1	2.00	0.11	2.25	
BRC12	77	78	1	2.00	0.15	1.93	
BRC12	78	79	1	15.00	0.32	20.60	
BRC12	79	80	1	10.00	1.53	11.80	
BRC12	80	81	1	4.00	0.39	7.35	
BRC12	88	89	1	5.00	0.09	4.01	
BRC12	90	91	1	8.00	0.05	5.34	
BRC12	91	92	1	3.00	0.07	2.15	
BRC12	92	93	1	4.00	0.05	3.01	
BRC12	93	94	1	14.00	0.15	7.79	
BRC12	94	95	1	4.00	0.14	4.15	
BRC12	97	98	1	4.00	0.09	6.38	
BRC12	98	99	1	2.00	0.28	2.32	
BRC12	99	100	1	2.00	0.13	1.66	

Hole ID	From m	To m	Interval m	Ag g/t	Pb %	Zn %	Grade Graph
WBD05	30	32	2	8.00	1.42	0.22	
WBD06	38	40	2	3.00	1.69	0.12	
WBD06	42	44	2	210.00	8.38	0.16	
WBD06	44	46	2	135.00	13.50	0.16	
WBD06	46	48	2	71.00	1.39	0.25	
WBD06	48	50	2	99.00	2.36	0.79	
WBD06	50	52	2	115.00	2.08	0.21	
WBD06	52	54	2	49.00	0.96	0.18	
WBD06	54	56	2	61.00	1.26	0.10	
WBD06	56	58	2	90.00	1.44	0.09	
WBP01	101	102	1	4.00	1.43	0.39	
WBP01	104	105	1	10.00	0.11	5.74	
WBP01	106	107	1	5.00	1.34	1.57	
WBP01	107	108	1	7.00	0.85	5.94	
WBP01	108	109	1	10.00	1.13	12.40	
WBP01	111	112	1	10.00	0.49	9.50	
WBP01	114	115	1	3.00	0.20	1.18	
WBP01	115	116	1	45.00	0.98	13.60	
WBP01	116	117	1	19.00	0.29	7.04	
WBP01	117	118	1	110.00	17.30	24.30	
WBP01	118	119	1	50.00	5.60	14.60	
WBP01	119	120	1	40.00	2.70	8.66	
WBP01	120	121	1	13.00	1.41	3.08	
WBP01	123	124	1	7.00	1.15	1.38	

Hole ID	From m	To m	Interval m	Ag g/t	Pb %	Zn %	Grade Graph
WBP02	16	18	2	31.00	1.97	0.14	
WBP02	18	20	2	14.00	1.25	0.16	
WBP02	22	24	2	8.00	2.50	0.26	
WBP03	64	66	2	8.00	0.74	1.90	
WBP03	70	72	2	15.00	0.37	1.60	
WBP03	72	74	2	11.00	1.45	1.95	
WBP03	74	76	2	10.00	1.76	5.12	

PART 2

REPRESENTATIVE SAMPLE OF DRILLHOLE INTERCEPTS

Hole ID	From m	To m	Interval m	Ag g/t	Pb %	Zn %	Grade Graph
BRC10	4	5	1	0.00	0.01	0.21	
BRC10	36	37	1	0.00	0.25	0.23	
BRC10	37	38	1	0.00	0.30	0.23	
BRC11	45	46	1	0.00	0.07	0.23	
BRC11	58	59	1	0.00	0.07	0.26	
BRC11	59	60	1	0.00	0.09	0.32	
BRC11	60	61	1	0.00	0.04	0.30	
BRC12	51	52	1	0.00	0.78	0.05	
BRC12	68	69	1	0.00	0.31	1.27	
BRC12	69	70	1	3.00	0.45	3.08	
BRC12	70	71	1	1.00	0.26	1.40	
BRC12	71	72	1	2.00	0.28	1.95	
BRC12	72	73	1	4.00	0.37	2.55	
BRC12	73	74	1	5.00	0.31	2.69	
BRC12	74	75	1	3.00	0.29	2.73	
BRC12	75	76	1	1.00	0.17	1.60	
BRC12	76	77	1	2.00	0.11	2.25	
BRC12	77	78	1	2.00	0.15	1.93	
BRC12	78	79	1	15.00	0.32	20.60	
BRC12	79	80	1	10.00	1.53	11.80	
BRC12	80	81	1	4.00	0.39	7.35	
BRC12	82	83	1	0.00	0.18	0.67	
BRC12	87	88	1	1.00	0.07	0.61	
BRC12	88	89	1	5.00	0.09	4.01	
BRC12	89	90	1	2.00	0.08	1.16	
BRC12	90	91	1	8.00	0.05	5.34	
BRC12	91	92	1	3.00	0.07	2.15	
BRC12	92	93	1	4.00	0.05	3.01	
BRC12	93	94	1	14.00	0.15	7.79	
BRC12	94	95	1	4.00	0.14	4.15	
BRC12	95	96	1	1.00	0.14	0.68	
BRC12	96	97	1	2.00	0.16	1.13	
BRC12	97	98	1	4.00	0.09	6.38	
BRC12	98	99	1	2.00	0.28	2.32	
BRC12	99	100	1	2.00	0.13	1.66	
BRC12	100	101	1	2.00	0.07	1.08	

Hole ID	From m	To m	Interval m	Ag g/t	Pb %	Zn %	Grade Graph
BRC8	3	4	1	0.00	0.02	0.33	
WBD05	30	32	2	8.00	1.42	0.22	
WBD05	32	34	2	0.50	0.71	0.12	
WBD05	125.7	128.7	3	3.00	0.01	0.60	
WBD05	164.5	166.5	2	3.00	0.13	0.69	
WBD06	28	30	2	0.50	0.74	0.20	
WBD06	30	32	2	2.00	0.58	0.17	
WBD06	32	34	2	2.00	0.81	0.13	
WBD06	36	38	2	2.00	1.03	0.15	
WBD06	38	40	2	3.00	1.69	0.12	
WBD06	40	42	2	28.00	0.63	0.08	
WBD06	42	44	2	210.00	8.38	0.16	
WBD06	44	46	2	135.00	13.50	0.16	
WBD06	46	48	2	71.00	1.39	0.25	
WBD06	48	50	2	99.00	2.36	0.79	
WBD06	50	52	2	115.00	2.08	0.21	
WBD06	52	54	2	49.00	0.96	0.18	
WBD06	54	56	2	61.00	1.26	0.10	
WBD06	56	58	2	90.00	1.44	0.09	
WBD06	58	60	2	23.00	0.59	0.04	
WBP01	20	22	2	16.00	0.30	0.20	
WBP01	100	101	1	0.10	0.21	0.60	
WBP01	101	102	1	4.00	1.43	0.39	
WBP01	102	103	1	4.00	0.31	0.66	
WBP01	104	105	1	10.00	0.11	5.74	
WBP01	105	106	1	2.00	0.17	1.16	
WBP01	106	107	1	5.00	1.34	1.57	
WBP01	107	108	1	7.00	0.85	5.94	
WBP01	108	109	1	10.00	1.13	12.40	
WBP01	109	110	1	0.10	0.12	0.70	
WBP01	111	112	1	10.00	0.49	9.50	
WBP01	112	113	1	0.10	0.10	0.68	
WBP01	114	115	1	3.00	0.20	1.18	
WBP01	115	116	1	45.00	0.98	13.60	
WBP01	116	117	1	19.00	0.29	7.04	
WBP01	117	118	1	110.00	17.30	24.30	

Hole ID	From m	To m	Interval m	Ag g/t	Pb %	Zn %	Grade Graph
WBP01	117	118	1	110.00	17.30	24.30	
WBP01	118	119	1	50.00	5.60	14.60	
WBP01	119	120	1	40.00	2.70	8.66	
WBP01	120	121	1	13.00	1.41	3.08	
WBP01	121	122	1	3.00	0.48	0.48	
WBP01	123	124	1	7.00	1.15	1.38	
WBP01	125	126	1	3.00	0.33	0.49	
WBP01	136	137	1	0.10	0.10	0.77	
WBP02	14	16	2	29.00	0.69	0.15	
WBP02	16	18	2	31.00	1.97	0.14	
WBP02	18	20	2	14.00	1.25	0.16	
WBP02	20	22	2	7.00	0.92	0.15	
WBP02	22	24	2	8.00	2.50	0.26	
WBP03	60	62	2	3.00	0.32	0.36	
WBP03	62	64	2	4.00	0.41	0.59	
WBP03	64	66	2	8.00	0.74	1.90	
WBP03	66	68	2	9.00	0.46	0.76	
WBP03	68	70	2	26.00	0.49	0.24	
WBP03	70	72	2	15.00	0.37	1.60	
WBP03	72	74	2	11.00	1.45	1.95	
WBP03	74	76	2	10.00	1.76	5.12	
WBP03	76	78	2	0.10	0.15	0.63	
WBP03	78	80	2	0.10	0.17	0.78	
WBP03	80	82	2	3.00	0.32	0.89	
WBP03	82	84	2	2.00	0.26	0.64	
WBP03	84	86	2	0.10	0.16	0.57	
WBP03	88	90	2	1.00	0.17	0.60	
WBP03	90	92	2	0.10	0.12	0.78	
WBP03	92	94	2	4.00	0.27	0.99	
WBP04	94	96	2	1.00	0.31	0.95	
WBP04	114	116	2	2.00	0.13	0.50	
WBP04	118	120	2	0.10	0.09	0.57	
WBP04	120	122	2	2.00	0.10	0.50	
WBP04	122	124	2	2.00	0.16	0.44	

PART 3
COLLARS

Hole	East	North	Elevation	Azimuth	Dip	Total Depth	Hole type	Hole Size
WBP01	726,522	8,555,050	87.30	347.50	54.00	144.00	RC Percussion through-face hammer	5.5 inch
WBP02	726,452	8,555,072	92.00	22.50	51.00	120.00	RC Percussion through-face hammer	5.5 inch
WBP03	726,448	8,555,063	91.30	22.50	85.50	96.00	RC Percussion through-face hammer	5.5 inch
WBP04	726,531	8,555,048	87.80	27.50	55.00	144.00	RC Percussion through-face hammer	5.5 inch
WBD05	726,525	8,555,036	86.30	347.00	60.00	212.50	RC Percussion to 102m then NQ2 core	5.5 inch to 102m then NQ2
WBD06	726,445	8,555,061	90.50	25.00	64.50	250.00	RC Percussion to 60m then NQ2 core	5.5 inch to 60m then NQ2
BRC8	726,372	8,555,062	98.82	20.00	50.00	109.00	RC Percussion through-face hammer	5.5 inch
BRC9	726,616	8,555,031	89.46	12.00	50.00	114.00	RC Percussion through-face hammer	5.5 inch
BRC10	726,729	8,554,972	87.43	7.00	50.00	120.00	RC Percussion through-face hammer	5.5 inch
BRC11	726,850	8,554,935	84.76	360.00	50.00	138.00	RC Percussion through-face hammer	5.5 inch
BRC12	726,445	8,555,060	98.78	52.00	50.00	108.00	RC Percussion through-face hammer	5.5 inch

JORC TABLE 1
Section 1 Sampling Techniques and Data
(Criteria in this section apply to all succeeding sections.)

Criteria	Explanation	Comments
Sampling techniques	• Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	Industry standard work was completed as a preliminary exploration program. Single metre split samples were collected throughout RC drilling. RC samples were collected every 1 m of drill penetration. During diamond core drilling full core samples were collected with half core samples being submitted for analysis.
Drilling techniques	• Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	All holes were drilled using the Warman 1000-3 drill rig to a diameter of 5 ½ inch. Holes were collared to the base of the cover. All holes were reverse circulation percussion holes, using a through-the-face type hammer. Diamond core drilling was completed to NQ2 diameter.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Based on the drill logs, sample recovery was closely monitored during drilling. Cyclone and houses were cleaned when required and after each hole to minimise down hole and cross hall contamination during RC drilling. Logs indicate the drill sample recovery was very good. Diamond drilling recovery was monitored closely during diamond core ring. Drill logs indicate that recovery was very good during diamond drilling.
Logging	• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	All drill holes have been geologically/lithologically logged to a standard appropriate to this exploration stage. Holes were drilled under constant supervision of a geologist who logged the holes as they were drilled.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	Drill logs, and geological reports lodged with the Department of Mines state that sampling techniques, and sample preparation were to a standard appropriate for this stage of exploration. Half diamond cores were sent for analysis. Split samples from RC drilling were provided for each metre. With duplicate samples and standards inserted were appropriate for exploration stage drilling. The size, and the frequency of sampling are noted in the report to be to the standard required for exploration stage drilling. The sample sizes were reviewed by competent geologist and were considered appropriate to give an appropriate indication of the degree and extent of anomalism. The size of the split sample, and the core sample collected was and is considered industry standard and is suitable for the grain size of the material collected.

Criteria	Explanation	Comments
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Assays were performed by Amdel Laboratories Ltd, in Darwin, Northern Territory. Base metals were determined by AAS/ICP. Lab inserted blanks and also conducted repeat analysis on selected samples.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	No information is available regarding verification. Comments in the drilling logs and the technical reports submitted by the operator to the Department of Mines state that the sampling technique and the results/data was reviewed on several occasions during the drilling programs with no errors in sampling or assays reported. No holes were twinned. Sample logs were retained by the operator, assay submission reports and sample numbers taken from the sample bags were submitted to both the operator and the lab. Residues and assays splits where stored securely for verification. Korab has access to all reports and some of the residues and pulps.
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	Differential GPS was used to survey collar locations to accuracy of 0.03 m horizontally and 0.05 m vertically. AGD66 and AGD84 zone 52 projected coordinate systems were used by the operators. All coordinates were re-projected to GDA 1994 MGA Zone 52 projected coordinate system. Elevation readings were taken from one second resolution Digital Elevation Model and verified in field using a handheld GPS.
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied.	Sections of two RC holes had 2 metre compositing of samples applied. This is indicated by the intervals being shown as 2 m in the RC logs. No other compositing was applied to the samples. Data spacing and distribution is appropriate for exploration drilling, no attempt at mineral resource or ore reserve estimation was undertaken.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	There is no sample bias, samples were collected along hole from the top to end of hole, we'd all lithologies and structures sampled along hole. For most of the holes had the angle the direction appears to be roughly perpendicular to the dip of the strata and perpendicular to the strike of the strata, however given the variability in the dip of the various lithologies (which is ranging from 40° to 65°), it is assumed that the true width of the intercepts will be between 70% and 100% of the reported interval.
Sample security	• The measures taken to ensure sample security.	According to the operators reports, appropriate procedures were followed to ensure the security of samples both on site and in transit.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	Comments in technical reports submitted by the operator to the Department of Mines suggest that the sampling technique and the data was reviewed on several occasions with no errors in sampling techniques or assays data reported.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Explanation	Comments
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	Leases MLN512-515 and E29550 are located approximately 2 km east of the town of Batchelor, some 85 km by road from Darwin . Savanna Mineral Resources Pty Limited has right to 5% net smelter return royalty from ores produced from parts of the tenement which include the location of RC drillholes being the subject of this report . There are no security issues with the tenure. There is no native title applicable to this lease.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	The area has been explored in the past by CRA, Peko, BHP, RIO, BP, Uranerz, WMC, Giants Reef and Mt Grace with the main focus on uranium and magnesium carbonate and secondary interest in gold and base metals. Most of the work relating to uranium and base metals was done between 1970-1994. Most of the work relating to gold and magnesium carbonate was done between 1996 and 2005. Korab has acquired the project in 2007. Since then Korab has undertaken significant rock chip and soil sampling programs, digitising of the capture of historical exploration data and several RC and diamond drilling programs targeting nickel mineralisation to the north and north-east from area being subject of this report.
Geology	• Deposit type, geological setting and style of mineralisation.	This is a report of historical drilling which was originally conducted to explore for base metal under and around a prominent gossan with coincident magnetic and gravity anomalies and prominent soil and rock chip geochemistry anomaly which had elevated base metals in soil and rock chip samples. The setting of mineralisation has similarities to other base metals deposit found in the vicinity of this prospect, especially at Woodcutters and Browns.

Drill hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:
	  • easting and northing of the drill hole collar
	  • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar
	  • dip and azimuth of the hole
	  • down hole length and interception depth
	  • hole length.
	• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.
		See the text of the report, Table 1 above and the Part 1, 2 and 3 in Appendix A. Highly anomalous values were reported in the report and in the Part 1 of Table 1 Appendix A above. All elevated values were reported in Part 2 of Appendix A above. Coordinates of collars, dip, azimuth of hole, down hole lengths, intercept lengths, intercept depth, interval, elevation above sea level in metres, hole type, and hole diameter are reported In Part 3 of Appendix A above.

Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	These are raw base metals values which were extracted from drill logs, assay laboratory reports and technical reports provided by the operators to the Department of Mines. Any averaging of values is applied across a similarly elevated values over selected intervals. There was no aggregating of short lengths of high grade surrounded by longer lengths of low grade results.

Criteria	Explanation	Comments
	• The assumptions used for any reporting of metal equivalent values should be clearly stated.	
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	The mineralisation appears to be dipping to the south east at a variable angle of 40° to 65°. This is a down-hole length, the true width were estimated as being between 70% and 100% of the reported downhole interval depending on angle of the hole and dip of the mineralisation.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Plan view of the hole locations is included in the text of the report.
Balanced reporting	• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	Given that the RC and diamond drilling program generated in excess of 4,000 samples, it is not practical to report all of the assays. Therefore all high grade samples and a representative sample of all assays (above a certain threshold) are reported in Part 2 of Appendix A.
Other substantive exploration data	• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	Geological observations, geophysical survey results, geochemical survey results, are reported in the text of the report.
Further work	• The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Korab is currently reviewing the data for this area and preparing a drilling program with the aim of further testing of the anomalies reported in this report.