



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

ASX ANNOUNCEMENT

NOTICE UNDER SECTION 708A(5)(e) OF THE CORPORATIONS ACT

Korab Resources Limited (ASX: KOR) gives notice under section 708A(5)(e) of the Corporations Act 2001 (Cth) (**Act**) in relation to the 4,000,000 fully paid ordinary shares in the Company issued without a disclosure document to exempt investors under section 708 of the Act, at a price of 5 cents per share on or about 23 April 2018 (**Placement**) pursuant to the announcement released to the market on 16 April 2018 .

The Company advises that:

1. the securities offered under the Placement were issued without disclosure to investors under Part 6D.2 of the Act;
2. as at the date of this notice:
 - 2.1. the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company;
 - 2.2. section 674 of the Act; and
 - 2.3. as at the date of this notice, other than as set out below, there is no information that is "excluded information" within the meaning of section 708A(7) and 708A(8) of the Act that has not already been disclosed to investors generally or as required under section 708A(6)(e) of the Act.

Korab advises that as of the date of the notice:

1. It is in discussions with two separate potential providers of debt funding for the development and working capital of the Winchester magnesium carbonate quarry. Currently, these discussions are incomplete and confidential and there can be no certainty that any agreement or agreements can be reached or that any transaction will eventuate. No commercial terms have been agreed between the parties. Accordingly, no investment decision should be made on the basis of this information.
2. It is in discussions with three separate potential offtake partners for the magnesium carbonate rock from Winchester magnesium carbonate quarry. Currently, these discussions are incomplete and confidential and there can be no certainty that any agreement or agreements can be reached or that any transaction will eventuate. No commercial terms have been agreed between the parties. Accordingly, no investment decision should be made on the basis of this information.

Korab will make further announcement(s) in the event the negotiations are complete (including any conditions or approvals required for any such agreement(s)).

Dated this 26 April 2018

Andrej K. Karpinski
Executive Chairman
Korab Resources Limited