

KORAB RESOURCES LIMITED

ACN 082 140 252

Cleansing Prospectus

For an offer of up to 10,000 Shares at an issue price of \$0.035 per Share to raise up to \$350 (before expenses) (Offer).

Underwriting

The Offer is not underwritten.

Closing Date: 5pm WST on 24 October 2019

Important Notice

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

This is an important document that should be read in its entirety. Please read the instructions in this document and on the accompanying Application Form regarding acceptance of the Offer. If you do not understand this document you should consult your stockbroker, accountant, or other professional adviser. The Securities offered by this Prospectus should be considered as highly speculative and you should refer to Section 6 for details concerning the risk factors.

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<p>CORPORATE DIRECTORY</p> <p>Directors Andrej Kazimierz Karpinski (Executive Chairman) Anthony Guinness Wills (Non-Executive Director) Rodney Henry Skeet (Non-Executive Director) Daniel Alexander Smetana (Non-Executive Director)</p> <p>Company Secretary Andrej Kazimierz Karpinski</p> <p>Share Registry* Link Market Services Limited Level 12, QV1 Building, 250 St Georges Terrace Perth WA 6000</p>	<p>Registered Address Suite 1, 20 Prowse Street West Perth, WA, 6005 Australia</p> <p>Website www.korab.com.au</p> <p>ASX Code: KOR</p> <p>Auditors* HLB Mann Judd Advisory and Accounting Level 4, 130 Stirling Street Perth WA 6000</p>
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* These entities have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus. Their names are included for information purposes only.

Timetable of Important Dates**

Lodgment of Prospectus with ASIC and ASX	17 October 2019
Opening Date	17 October 2019
Closing Date	5:00pm WST on 24 October 2019
Issue Date	28 October 2019
Expected Date of Official Quotation of the Shares (subject to ASX approval of that Official Quotation)	28 October 2019

**The Directors reserve the right to extend the Closing Date at any time after the Opening Date without notice subject to the ASX Listing Rules. As such, the date the Shares are expected to commence trading on ASX may vary with any change in the Closing Date.

IMPORTANT NOTES

This Prospectus is dated 17 October 2019 and a copy of this Prospectus was lodged with the ASIC on that date. The ASIC, the ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. The Company will apply to ASX for the Shares to be granted quotation on ASX.

The Offer is only available to those who are personally invited to accept the Offer. Applications for Shares offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus. No person is authorised to give information or to make any representation in connection with this Prospectus which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

This Prospectus is for an offer of continuously quoted securities, issued in accordance with section 713 of the Corporations Act. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

This Prospectus including each of the documents attached to it and which form part of this Prospectus is important and should be read in its entirety prior to making an investment decision. If you do not fully understand this Prospectus or are in any doubt as to how to deal with it, you should consult your professional adviser.

This Prospectus does not constitute an offer in any place in which or to any person to whom it would not be lawful to make such an offer. Any Prospectus received outside of Australia may be used for information purposes only.

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors, and our management.

The Company cannot and do not give any assurance that the results, performance, or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward-looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6 of this Prospectus.

A copy of the Prospectus can be downloaded from the website of the Company at www.korab.com.au. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company. The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

No person is authorised to give information or to make any representation in connection with this Prospectus which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus. If you do not fully understand this Prospectus or are in any doubt as to how to deal with it, you should consult your professional adviser.

This Prospectus does not provide investment advice and has been prepared without taking account of your financial objectives, financial situation, or particular needs (including financial or taxation issues). You should seek professional investment advice before subscribing for Shares under this Prospectus.

Proceeds received from the Offer (\$350 if the Offer is fully subscribed) will be applied to the costs of the Offer. Costs of the Offer are expected to be approximately \$6,000.

A number of terms and abbreviations used in this Prospectus have defined meanings which are set out in Section 10. All references in this Prospectus to \$, AUD or dollars are references to Australian currency, unless otherwise stated. All references to time in this Prospectus relate to the time in Perth, Western Australia.

1. DETAILS OF THE OFFER

1.1 The Offer

This Prospectus Pursuant to this Prospectus, the Company invites investors identified by the Directors to apply for up to 10,000 Shares at an issue price of \$0.035 per Share, to raise up to \$350 (before expenses).

The Offer will only be extended to specific parties on invitation from the Directors. Application Forms will only be provided by the Company to these parties.

No Shares will be issued under the Offer to:

- 1.1.1. Directors or their related parties; or
- 1.1.2. related parties of the Company; or
- 1.1.3. any other person if the issue would breach the takeover prohibition in section 606 of the Corporations Act.

The Company reserves the right to reject any Application Form or to allocate any Applicant fewer Shares than the number for which the Applicant has applied.

The Shares offered under this Prospectus will rank equally with the Existing Shares on issue. A summary of the material rights and liabilities attaching to the Shares is set out in Section 3.

The Offer is not subject to achieving a minimum subscription. No oversubscriptions will be accepted by the Company.

The Offer opens on 17 October 2019 date and will close at 5:00pm WST on 24 October 2019, subject to any variation to the timetable by the Directors in accordance with the ASX Listing Rules.

1.2 Use of Funds

The Offer may raise up to approximately \$350 before the costs of the Offer.

There is no minimum subscription in relation to the Offer.

Proceeds received from the Offer will be applied to the costs of the Offer. Costs of the Offer are expected to be approximately \$6,000.

1.3 Objective of the Offer

The primary purpose of this Prospectus is to remove any trading restrictions that may have attached to Existing Shares issued by the Company without disclosure under Chapter 6D of the Corporations Act prior to the Closing Date (including prior to the date of this Prospectus). Accordingly, the Company is seeking to raise only a nominal amount under this Prospectus as the purpose of this Prospectus is not to raise capital.

1.4 Cleansing

Relevantly, section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- 1.4.1 the relevant securities are in a class of securities that are quoted securities of the body; and
- 1.4.2 either:
 - 1.4.2.1 a prospectus is lodged with the ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - 1.4.2.2 a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- 1.4.3 the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

1.5 Additional Terms and Conditions of Offer

The Directors may, at any time before the Shares are issued, decide to withdraw this Prospectus and the offer of Shares made under this Prospectus in which case the Company will return all application monies, without interest, within 28 days of giving such notice of withdrawal.

This Prospectus does not constitute an offer of Shares in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Offer. The Offer in this Prospectus is not being extended to any person, whose registered address is not situated in Australia. If the Prospectus is received outside of Australian and Zealand it is sent to those Shareholders for information only.

This Prospectus may not be released or distributed in the United States. This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The Securities have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States, and may not be offered or sold in the United States, or to, or for the account or benefit of a US Person, except in a transaction exempt from the registration requirements of the US Securities Act and applicable United States state securities laws.

Recipients may not send or otherwise distribute this Prospectus or the Application Form to any person outside Australia.

1.6 Application for Securities

Please read the instructions in this Prospectus and on the accompanying Application Form regarding the acceptance of the Offer. By returning an Application Form or otherwise arranging for payment for Securities in accordance with the instructions on the Application Form, you acknowledge that you have received and read this Prospectus, you have acted in accordance with the terms of the relevant Offer detailed in this Prospectus and you agree to all of the terms and conditions as detailed in this Prospectus.

If you wish to apply for Shares under this Offer, forward your completed Application Form, together with your cheque for the correct amount to the Company at the address shown below, by the Closing Date. Cheques should be made payable to Korab Resources Limited Share Issue Account, and crossed "Not Negotiable". Alternatively funds may be transferred electronically to Korab Resources Limited Share Issue Account, BSB: 086 006 Account number: 811101294, and forward a copy of the funds transfer confirmation page together with the completed Application Form to the postal address shown below. If you elect to pay by electronic funds transfer, you may choose to forward the scan of the duly completed Application Form together with the scan of the payment receipt/confirmation to the following email address:

Postal Address:	Street Address:	By Email
PO Box 1958 West Perth, WA, 6872	Suite 1, 20 Prowse Street West Perth WA 6005	shares@korab.com.au

The Company participates in the Clearing House Electronic Sub-register System (CHESS). ASX Settlement Pty Ltd (ASX Settlement), a wholly owned subsidiary of ASX, operates CHESS in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules. Under CHESS, applicants will not receive a certificate but will receive a statement of their holding of Securities. If you are broker sponsored, ASX Settlement will send you a CHESS statement.

The CHESS statement will set out the number of Securities issued under this Prospectus, provide details of your holder identification number and give the participation identification number of the sponsor. If you are registered on the issuer sponsored sub register, your statement will be dispatched by the Company's share registrar and will contain the number of Securities issued to you under this Prospectus and your security holder reference number.

A CHESS statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time however a charge may be made for additional statements.

1.7 Binding Nature of Acceptances

A completed and lodged Application Form constitutes a binding offer to acquire Shares on the terms and conditions set out in this Prospectus and, once lodged, cannot be withdrawn. If the Application Form is not completed

correctly, it may still be treated as a valid application for Shares. The Directors' decision whether to treat an acceptance as valid and how to construe, amend or complete the Application Form is final.

By completing and returning your Application Form with the requisite application money, you will be deemed to have represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given the Prospectus, does not prohibit you from being given the Prospectus and that you:

- (a) have read the Prospectus in full and agree to be bound by the terms of the Offer;
- (b) declare that all details and statements in the Application Form are complete and accurate;
- (c) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Application Form;
- (d) authorise the Company and its respective officers or agents, to do anything on your behalf necessary for the Shares to be issued to you, including to act on instructions of the Company's share registry in using the contact details set out in the Application Form;
- (e) declare that you are the current registered holder of Shares and are an Australian or Zealand resident;
- (f) acknowledge that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that Shares are suitable for you given your investment objectives, financial situation or particular needs;
- (g) acknowledge that the Shares have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia or Zealand; and

1.8 Application Monies

The application monies for Shares to be issued pursuant to the Offer will be held in trust on behalf of applicants until the Shares are issued. If the Company does not accept an Application, or issues a lesser number of shares than applied for by an applicant, the application monies will be refunded to the applicant as soon as practicable without interest. All interest earned on application monies (including those which do not result in the issue of Shares) will be retained by the Company.

1.9 Allocation and Issue of Securities

The issue of Securities will occur as soon as practicable after the Closing Date. Holding statements will then be dispatched as required by ASX. It is the responsibility of Applicants to determine whether they have been allocated any Shares pursuant to the Offer prior to trading in those Shares. Applicants who sell the Securities before they receive their holding statement will do so at their own risk.

The Directors reserve the right to reject any Application Form or to issue a lesser number of Shares than that applied for under the Offer. If the number of Shares allocated is less than that applied for, or no issue is made, the surplus Application Monies will be promptly refunded without interest.

1.10 ASX Quotation

Within 7 days of the date of this Prospectus, the Company will make an application to ASX for the Shares to be granted Official Quotation by ASX. If quotation is not granted within 3 months of the date of this Prospectus, the Shares will not be issued under this Prospectus and application monies received will be returned to applicants as soon as practicable, without interest. There can be no guarantee of whether ASX will grant Official Quotation of the Shares, but if ASX does grant such Official Quotation, that is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

1.11 Prohibition on exceeding 20% voting power threshold

Potential investors must have regard to and comply with the takeovers prohibition in section 606 of the Corporations Act (that is, the 20% voting power threshold), when applying for Securities offered as part of the Offer.

As at the date of this Prospectus, there is no anticipated risk of a Shareholder exceeding the 20% voting power threshold in section 606 of the Corporations Act as a result of issue of Shares under the Offer.

2. ADDITIONAL INFORMATION

2.1 Substantial Holders

As at the date of this Prospectus, the following shareholders have lodged substantial shareholder notices with ASX:

Substantial Holder	Shares	Voting Power
Andrej K. Karpinski	59,734,739	19.16%

2.2 Market Price of Existing Shares on ASX

The highest and lowest market sale price of the Existing Shares during the three months immediately preceding the lodgment of this Prospectus with the ASIC, and the last market sale price on the date before the lodgment date of this Prospectus, are set out below.

3 month high	3 month low	Last market price ([date])
\$0.030	\$0.019	\$0.019

3. RIGHTS AND LIABILITIES ATTACHING TO THE SHARES

All Shares will rank equally in all respects with Existing Shares. A summary of the rights and liabilities attaching to the Shares appears below, as set out in the Constitution, a copy of which is available for inspection at the Company's registered office for inspection during normal business hours.

- (a) At a general meeting of the Company, every holder of Shares present in person, by an attorney, representative or proxy has one vote on a show of hands and on a poll, one vote for each Share held, and for every contributing share held, a fraction of a vote equal to the proportion which the amount paid up bears to the total issue price of the contributing share. Where there is an equality of votes, the chairperson has a casting vote.
- (b) Subject to the rights of holders of shares issued with any special or preferential rights (at present there are none), the profits of the Company which the Directors may from time to time determine to distribute by way of dividend are divisible among the Shareholders in proportion to the Shares held by them respectively, according to the amount paid up (not credited) as paid up on the Shares. Subject to the rights of persons (if any) entitled to shares with special rights to dividend (at present there are none) the Directors may declare a final dividend out of profits in accordance with the Corporations Act and may authorise the payment or crediting by the Company to the shareholders of such a dividend. The Directors may authorise the payment or crediting by the Company to the shareholders of such interim dividends as appear to the Directors to be justified by the profits of the Company. Subject to the rights of persons (if any) entitled to shares with special rights as to dividend (at present there are none) all dividends are to be declared and paid according to the amounts paid or credited as paid on the shares in respect of which the dividend is paid. Interest may not be paid by the Company in respect of any dividend, whether final or interim.
- (c) Subject to the rights of holders with shares with special rights in a winding-up (at present there are none), on a winding-up of the Company all assets which may be legally distributed amongst the members will be distributed in proportion to the shares held by them respectively, accordingly to the amount paid up or credited as paid up on the share.
- (d) Shares in the Company may be transferred by instrument in any form which complies with the Company's constitution, the Corporations Act and ASX Listing Rules and SCH Business Rules.
- (e) Shares may be transferred by such means in accordance with ASX Listing Rules and the SCH Business Rules. The Directors may refuse to register a transfer of shares only in those circumstances permitted by the Company's constitution, ASX Listing Rules and SCH Business Rules.
- (f) Where shares are issued as partly paid, the Directors may make calls upon the holders of those shares to pay the whole of or a portion of the balance of the issue price. If a shareholder fails to pay a call or instalment of a call, then subject to the Corporations Act and ASX Listing Rules, the shares in respect of the call may be forfeited and interest and expenses may be payable in accordance with the Company's

constitution, the Corporations Act and ASX Listing Rules or proceedings taken to recover the amount unpaid. As the Shares under the Prospectus are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

- (g) The allotment and issue of any shares is under the control of the Directors and, subject to any restrictions on the allotment of shares imposed by the Company's constitution, ASX Listing Rules or the Corporations Act, the Directors may allot and issue shares or grant options over such shares or otherwise dispose of those shares to such persons, with such rights or restrictions as they may from time to time determine.
- (h) Each holder of shares will be entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive notices, accounts and other documents required to be furnished to shareholders under the Company's constitution, the Corporations Act and ASX Listing Rules.
- (i) Where shares of different classes are issued, the rights attaching to the shares of a class (unless otherwise provided by their terms of issue) may only be varied by a special resolution passed at a separate general meeting of the holders of those shares of that class, or with the written consent of the holders of at least three quarters of the issued shares of that class.
- (j) Pursuant to section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of shareholders, vary or abrogate the rights attaching to shares. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.
- (k) The Constitution can only be amended by a special resolution passed by at least three quarters of the votes cast by Shareholder entitled to vote at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

4. PURPOSE AND EFFECT OF THE OFFER ON THE COMPANY

4.1 Purpose of the Offer

This Offer is for the purpose of section 708A(11) of the Corporations Act to remove any trading restrictions on the sale of certain Existing Shares issued prior to the date of this Prospectus.

4.2 Effect of the Offer

The effect of the Offer will, assuming that 10,000 Shares are issued prior to the Closing Date, be that:

- (a) cash reserves (before costs) will increase by approximately \$350; and
- (b) the number of Shares on issue will increase from 317,199,483 to 317,209,483.

The Directors intend to apply the proceeds from the Offer to expenses of the Offer.

4.3 Effect on financial position

The expenses of the offer (of approximately \$6,000) are expected to exceed the amount raised under this Prospectus. The excess will be met from the Company's existing cash reserves.

The offer will have a non-material effect on the Company's financial position, being receipt of funds of \$350 less costs of making the offer (net expense of approximately \$5,650).

If the Offer is fully subscribed, the Company will receive \$350 in cash, which will be applied towards the costs and expenses of the Offer. The estimated expenses of the Offer are \$6,000, comprising ASIC fees of \$3,206, and other costs such as printing and postage expenses, share registry and ASX listing fees.

4.4 Effect on Capital Structure

The table below sets out the effect of the Offer on the issued Share capital of the Company:

317,199,483	Existing Shares on issue at the date of this Prospectus and at the Record Date
10,000	Shares issued pursuant to the Offer
317,209,483	Shares on issue following the Offer (assuming no other Shares are issued)

4.5 Potential effect on control

The dilution effect of Shares to be offered under the Offer is equal to 0.00% of the total number of shares that will be on issue following issue of the Shares under the Offer (assuming it is fully subscribed).

5. CONTINUOUS DISCLOSURE OBLIGATIONS

5.1 Disclosing entity

The Company is a "listed disclosing entity" (as defined in Section 111 AC of the Corporations Act) for the purposes of Section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities. The Shares which will be issued pursuant to this Prospectus are in the same class of Shares that have been quoted on the official list of the ASX during the 12 months prior to the issue of this Prospectus.

5.2 Cleansing Prospectus

The primary purpose of this Prospectus is to remove any trading restrictions that may have attached to Shares issued by the Company without disclosure under Chapter 6D of the Corporations Act prior to the Closing Date (including prior to the date of this Prospectus). Accordingly, the Company is seeking to raise only a nominal amount under this Prospectus as the purpose of this Prospectus is not to raise capital.

By virtue of section 713 of the Corporations Act, the Company is entitled to issue a "transaction-specific" prospectus in respect of the Offer. In general terms "transaction-specific" prospectuses are only required to contain information in relation to the effect of the specific issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the Company. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. It does not for example; include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX. Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

5.3 Information excluded from continuous disclosure notices

As at the date of this Prospectus, there is no information that has not been disclosed under the continuous disclosure requirements of the ASX Listing Rules because the ASX Listing Rules expressly or impliedly exclude the information from disclosure, and which, in the Board's opinion Shareholders and their professional advisers:

- a) would reasonably require for the purpose of making an informed assessment of:
 - i. the Company's assets and liabilities, financial position and prospects; and
 - ii. the rights and liabilities attaching to the Securities;
- b) would reasonably expect to find in this Prospectus.

5.4 Statement under Corporations Act

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in Section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of the annual financial report of the Company for the financial year ended 30 June 2019, being the annual financial report most recently lodged with ASIC by the Company; and
- (d) it will provide a copy of any half-year financial report lodged with ASIC by the Company after the lodgement of the annual financial report referred to in Section 5.4(c) and before the lodgement of a copy of this Prospectus with ASIC; and
- (e) it will provide a copy of any documents used to notify ASX of information relating to the Company in accordance with the ASX Listing Rules as referred to in Section 674(1) of the Corporations Act in the period from lodgment of the annual financial report referred to in Section 5.4(c) until the issue of the Prospectus,

free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date.

5.5 Copies of ASX Announcements

This Prospectus contains information specific to the Offer. If investors require further information in relation to the Company, they are recommended to take advantage of the opportunity to inspect or obtain copies of the documents referred to above.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

The Company has lodged the following announcements with ASX since the lodgment of the audited annual financial statements for the year ending 30 June 2019:

Date	Description of Announcement
11/10/2019	Cleansing prospectus update
27/09/2019	Cleansing prospectus update

6. RISK FACTORS

An investment in the Company is not risk free and investors should consider the risk factors described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for Securities. The following is not intended to be an exhaustive list of the risk factors associated with an investment in the Company.

6.1 Economic Risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development, and future production activities, as well as on its ability to fund those activities.

6.2 Market conditions

The market price of Shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities and in particular, resources stocks. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Shares.

6.3 Security Investments

Applicants should be aware that there are risks associated with any investment in Securities. Securities listed on the stock market, and in particular securities of mining and exploration companies have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the Shares, regardless of the Company's performance. Mineral

exploration and mining are speculative operations that may be hampered by circumstances beyond the control of the Company. Profitability depends on successful exploration and/or acquisition of reserves, design, and construction of efficient processing facilities, competent operation and management and proficient financial management. Exploration in itself is a speculative endeavour, while mining operations can be hampered by force majeure circumstances and cost overruns for unforeseen events. There can be no guarantee that an active market in the Company's Shares will exist in future.

6.4 Overseas Operational and legal tenure risks

A subsidiary in which the Company has a shareholding of 100% Lugansk Gold Mines Ltd, currently owns 100% of Donetskryazh Ltd, which is the owner of the Bobrikovo gold project located in eastern Ukraine within an area which is currently not under control of the Ukrainian government. The book value of this asset has been written down to nil in the audited Company accounts prepared for the period ending 30 June 2014. Investing and operating in foreign jurisdictions carry political, economic and other uncertainties, including but not limited to changes in mining and exploration policies or the personnel administering them, nationalisation or expropriation of property, cancellation or modification of contractual risk, foreign exchange restrictions, currency exchange rate fluctuation, royalty and tax increases and other risks arising out of foreign government sovereignty over the areas in which the Company's operations are conducted. Any of these factors could result in conditions that delay, affect, or prevent the Company from further exploring and developing this project.

6.5 Commodity Price and Exchange Rate Risks

To the extent the Company is involved in mineral production now or in the future, the revenue derived through the sale of commodities may expose the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors. Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

6.6 Environmental Risks

The operations and proposed activities of the Company are subject to State and Federal laws and regulation concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds.

6.7 Native Title and Tenure Risks

Interests in tenements in Australia are governed by the respective State legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments. A subsidiary in which the Company has an indirect shareholding of 100% Australian Copper Holdings Pty Ltd, currently owns exploration licence E08/2115 located in Ashburton Mineral Field in Western Australia. This licence is subject of an application for forfeiture. The application is being opposed. It is also possible that, in relation to tenements which the Company has an interest in or will in the future acquire such an interest in, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be affected. The Directors closely monitor the potential effect of native title claims involving tenements in which the Company has or may have an interest.

6.8 Joint Venture Parties, Agents and Contractors

The Directors are unable to predict the risk of financial failure or default by a participant in any joint venture to which the Company is or may become a party or the insolvency or managerial failure by any of the contractors used by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used by the Company for any activity.

6.9 Future Capital Requirements

The Company's activities will require substantial expenditure. If the Company is unable to use debt or equity to fund its activities there can be no assurances that the Company will have sufficient capital resources in the future or that it will be able to obtain additional resources on terms acceptable to the Company. Any additional equity financing may be dilutive to shareholders and any debt financing if available may involve restrictive covenants, which limit the Company's operations and business strategy. The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

6.10 Material Uncertainty Regarding Going Concern

The Company's annual financial report for the period ended 30 June 2019 includes a note on the financial condition of the Company and the existence of a material uncertainty about the Company's ability to continue as a going concern. For the year ended 30 June 2019 the Company as a consolidated entity made a loss of \$543,380 after providing for income tax. The Company believes it will need to seek additional funding in the coming year in order to meet its operating expenditure and planned exploration expenditure for the next twelve months from the date of signing these financial statements. The directors are confident of being able to obtain additional funding through increase in debt, raising of additional share capital, or sale of assets. Should this not occur, or not occur on a sufficiently timely basis, there is a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

6.11 Losses to date

The Company has incurred losses to date and it is therefore not possible to evaluate the future prospects based on past performance.

6.12 Potential Acquisitions

As part of its business strategy, the Company may make acquisitions of or significant investments in companies, products, technologies, or resource projects. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of companies, products, technologies, or resource projects.

6.13 Resource Estimations

Resource estimates are expressions of judgment based on knowledge, experience, and resource modelling. As such, resource estimates are inherently imprecise and rely to some extent on interpretations made. Despite employing qualified professionals to prepare resource estimates, such estimates may nevertheless prove to be inaccurate. Furthermore, resource estimates may change over time as information becomes available. Should the Company encounter mineralisation or geological formations different from those predicted by past drilling, sampling, and interpretations, resource estimates may need to be altered in a way that could adversely affect the Company's operations.

6.14 Reliance on Key Personnel

The Company's success depends largely on the core competencies of its directors and management, and their familiarisation with, and ability to operate, in the metals and mining industry and the Company's ability to retain its key executives. Loss of any directors or senior management may substantially impact the effectiveness of the Company.

6.15 Operating Risks

The potential future operations of the Company may be affected by various factors, including failure to locate or identify sufficient ore reserves, operational and technical difficulties encountered in production, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated reserve problems which may affect production performance, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment. There can be no assurance that any of the Company's current projects will lead to a successful mining and production operation. The current and future operations of the Company may also be affected by various factors, including:

- (i) geological conditions;
- (ii) failure to achieve required or operational resource quantities upon commencing mining activities,
- (iii) unanticipated operational and technical difficulties encountered in survey, drilling and production activities;
- (iv) electrical and mechanical failure of operating plant and equipment, industrial and environmental accidents, industrial disputes and other force majeure events;
- (v) equipment failure, fires, spills or industrial and environmental accidents;
- (vi) unavailability of aircraft or drilling equipment to undertake airborne surveys and other geological and geophysical investigations;
- (vii) risk that exploration, appraisal, development, plant or operating costs prove to be greater than expected or that the proposed timing of exploration, development or production may not be achieved;
- (viii) failure to achieve predicted grades in exploration and mining;
- (ix) the supply and cost of skilled and unskilled labour;
- (x) unexpected shortages or increases in the costs of consumables, diesel fuel, spare parts, plant and equipment, and;
- (xi) prevention and restriction of access by reason of political unrest, outbreak of hostilities and inability to obtain consents or approvals.

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of the Projects.

6.16 Exploration, Evaluation and Development Risks

The success of the Company depends on the delineation of economically minable reserves and resources, access to required development capital, movement in the price of commodities, securing and maintaining title to the Company's exploration and mining tenements and obtaining all consents and approvals necessary for the conduct of its exploration activities. Exploration on the Company's existing exploration and mining tenements may be unsuccessful, resulting in a reduction of the value of those tenements, diminution in the cash reserves of the Company and possible relinquishment of the exploration and mining tenements.

The business of exploration, project development and production, by its nature, contains elements of significant risk with no guarantee of success. Ultimate and continuous success of these activities is dependent on many factors such as:

- (i) the discovery and/or acquisition of economically recoverable reserves;
- (ii) access to adequate capital for project development;
- (iii) design and construction of efficient development and production infrastructure within capital expenditure budgets;
- (iv) securing and maintaining title to interests;
- (v) obtaining consents and approvals necessary for the conduct of exploration, development and production; and
- (vi) access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants.

Factors including costs and reliability and commodity prices affect successful project development and operations. Mining activities carry risk and, as such, activities may be curtailed, delayed, or cancelled as a result of weather conditions, mechanical difficulties, shortages, or delays in the delivery of equipment. Industry operating risks include fire, explosions, industrial disputes, unexpected shortages, or increases in the costs of consumables, spare parts, plant and equipment, mechanical failure or breakdown and environmental hazards such as accidental spills or leakages, or geological uncertainty. The occurrence of any of these risks could result in legal proceedings against the Company and substantial losses to the Company due to injury or loss of life, damage to or destruction of property, natural resources or equipment, pollution or other environmental damage, clean-up responsibilities,

regulatory investigation, and penalties or suspension of operations. Damage occurring to third parties as a result of such risks may give rise to claims against the Company.

6.17 Regulatory Risks

The Company's exploration and development activities are subject to extensive laws and regulations relating to numerous matters including, without limitation, tenement and concession requirements and risks, conditions including environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. These licenses relate to development, production, and rehabilitation activities (although no such activities are currently in progress).

Obtaining necessary licenses can be a time-consuming process and there is a risk that the Company will not obtain these licenses on acceptable terms, in a timely manner, or at all. The costs and delays associated with obtaining necessary licenses and complying with these licenses and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project. Any failure to comply with applicable laws and regulations or licenses, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the projects in which the Company currently holds an interest.

7. PUBLICLY AVAILABLE INFORMATION

Information about the Company is publicly available and can be obtained from ASIC and ASX (including ASX's website www.asx.com.au). The contents of any website or ASIC or ASX filing by the Company are not incorporated into this Prospectus and do not constitute part of the Offer. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision on whether or not to invest in Securities or the Company.

No person is authorised to give any information or make any representation in connection with the Offer which is not contained in this Prospectus. Any such extraneous information or representation may not be relied upon.

8. STATUTORY DISCLOSURES

8.1 Interests of Directors

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgment of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Issue of Securities pursuant to this Prospectus; or
- (c) the issue of Securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the formation or promotion of the Company or Issue of Securities pursuant to this Prospectus other than set out below.

8.2 Remuneration of Directors

The Constitution of the Company provides that the Directors may be paid for their services as Directors. Non-executive directors may only be paid a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting, to be divided among the Non-executive Directors and in default of agreement then in equal shares. The aggregate amount that has been paid (or is required to be paid to the extent payment has not already been made) to Non-executive directors in the two years preceding lodgment of this Prospectus is shown in the table below.

The Directors are currently or have been entitled to the following remuneration or directors' fees (inclusive of superannuation) over the past 2 years:

Director	Current cash remuneration per annum	Cash Remuneration over 2019 financial year	Cash Remuneration over 2018 financial year	Equity remuneration over 2019 financial year	Equity remuneration over 2018 financial year
Andrej Kazimierz Karpinski	\$327,000*	\$327,000*	\$327,000*	nil	nil
Anthony Guinness Wills	\$28,470	\$28,470	\$28,470	nil	nil
Daniel Alexander Smetana	\$28,470	\$28,470	\$28,470	nil	nil
Rodney Henry Skeet	\$26,000	\$26,000	\$26,000	nil	nil
Total	\$409,940	\$409,940	\$409,940	nil	nil

*In accordance with the terms of a contract between the Company and Rheingold Investments Corporation Pty Ltd (ACN 009 427 230) under which Rheingold Investments Corporation Pty Ltd provides the services to the Company, Rheingold Investments Corporation Pty Ltd is entitled to be paid a monthly retainer of \$27,250.

Directors, companies associated with the Directors or their associates are also reimbursed for all reasonable expenses properly incurred in the course of conducting their duties which include, but are not in any way limited to, out of pocket expenses, travelling expenses, disbursements made on behalf of the Company and other miscellaneous expenses.

8.3 Interests of Directors in securities

Directors' interests in Shares at the date of this Prospectus, including interests held through their controlled entities are:

Name	Shares	Options
Andrej Kazimierz Karpinski	59,734,739	nil
Anthony Guinness Wills	nil	nil
Daniel Alexander Smetana	951,407	nil
Rodney Henry Skeet	569,238	nil

8.4 Other interests of Directors

The Company also pays premiums to insure all of the Directors against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct whilst acting in the capacity as a Director of the Company. The Company has entered into indemnity, insurance, and access deeds with each of the Directors (Deeds). Under the Deeds, the Company agrees to indemnify each of the Directors to the extent permitted by the Corporations Act against certain liabilities incurred by the Directors whilst acting as an officer of the Company, and to insure each Director against certain risks to which the Company is exposed as an officer of the Company. The

Deeds also grant each Director a right of access to certain records of the Company for a period of up to 7 years after the Director ceases to be an officer of the Company.

8.5 Interests of Advisers

Other than as set out below or elsewhere in this Prospectus, no person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of the Prospectus, any promoter of the Company or broker to the Issue, holds, or held at any time during the 2 years before lodgment of this Prospectus with the ASIC, any interest in the formation or promotion of the Company, or property acquired or proposed to be acquired by the Company in connection with its formation or promotion or in connection with the Offer, or the Offer; and, no amounts have been paid or agreed to be paid, and no benefits have been given or agreed to be given, to any of those persons in connection with the formation or promotion of the Company or the Offer.

8.6 Consents and disclaimer

Each Director has also consented in writing to any statements included in this Prospectus attributed to, or said to be based on, a statement by them, or the Directors or the Company and has not withdrawn that consent.

8.7 Estimated Expenses of the Offer

The estimated expenses of the Offer are \$6,000, comprising ASIC fees of \$3,206, and other costs such as printing and postage expenses, share registry and ASX listing fees.

8.8 Broker Handling Fees

No handling fees are payable in connection with the Offer.

8.9 Privacy Act

If you complete an application under the Prospectus, you will be providing personal information to the Company (directly or by the Company's share registry). The Company and the Company's share registry collect, hold and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration. The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses, and the Company share registry. You can access, correct, and update the personal information that we hold about you. Please contact the Company or its registry if you wish to do so at the relevant contact numbers set out in this Prospectus. Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (Cth) (as amended), the Corporations Act and certain rules such as the SCH Business Rules.

8.10 Taxation

It is the responsibility of all investors to satisfy themselves of the particular taxation treatment that applies to them in relation to the Offer, by consulting their own professional tax advisors. The Company and the Directors do not accept any liability or responsibility in respect of the taxation consequences of the matters referred to in this Prospectus.

8.11 Further information

If you have any queries concerning your Entitlement or this Offer, please contact Andrej Karpinski on (08) 9474 6166, or contact your stockbroker or professional adviser.

8.12 Litigation

The Company's subsidiary, Australian Copper Holdings Pty Ltd (Australian Copper) is defending a forfeiture application brought by a third party in respect of an exploration licence E08/2115 held by Australian Copper.

8.13 Financial Forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future financial performance on the basis that the operations of the Company are

inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

8.14 Subsequent Events

There are no material subsequent events.

9. DIRECTORS' AUTHORISATION

Each Director has consented to the lodgment of this Prospectus with the ASIC.

Signed on behalf of the Directors pursuant to a resolution of the Board.



Andrej K. Karpinski
Executive Chairman

Dated 17 October 2019

10. DEFINITIONS

Application Form means the personalised application form accompanying this Prospectus.

ASIC means the Australian Securities and Investments Commission.

ASTC Settlement Rules means the business rules of the securities clearing house which operates CHESS.

ASX means ASX Limited (ABN 51 008 624 691).

Business Day means a day on which trading takes place on the stock market of ASX.

CHESS means ASX Clearing House Electronic Sub-registry System.

Closing Date means 5pm (WST) on 24 October 2019.

Company means Korab Resources Limited (ACN 082 140 252).

Constitution means the Company's Constitution as at the date of this Prospectus.

Corporations Act means the Corporations Act 2001 (Commonwealth).

Directors means directors of the Company at the date of this Prospectus.

Dollar or **\$** means Australian dollars.

Existing Share means a fully paid ordinary share in the capital of the Company as at the date of this Prospectus.

Group means the Company and its subsidiaries.

Listing Rules or **ASX Listing Rules** means the Listing Rules of the ASX.

Securities means the Shares.

Shares means a fully paid ordinary share in the capital of the Company to be issued under this Prospectus.

Offer or **Prospectus** means the Prospectus constituted by this document.

Offer Period means the period for which the Offer will remain open for acceptance, in accordance with the terms of the Offer.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means the holder of a Share.

WST means Western Standard Time.

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