



KORAB RESOURCES LIMITED

KORAB HOUSE

www.korab.com.au

FPO SHARES

Issued: 153 mln
Market Cap: \$7 mln

ASX: KOR
Last Price: AU\$ 4.8

BERLIN: C6S.BE
Last Price: € 0.03

Tuesday, 19 May 2015

WINCHESTER UPDATE

We refer to the ASX report dated 18 February 2015, titled "*Winchester offtake, financing, operational support*" by way of which Korab Resources Ltd ("**Korab**", or "**Company**") (ASX: **KOR**) advised the market about the financing transaction between Rescap Investments Pty Ltd ("**Rescap**") and Korab's wholly owned subsidiary AusMag Pty Ltd ("**AusMag**"), and to the ASX report dated 22 April 2015, titled "*Due diligence for funding of Winchester magnesite development*" by way of which Korab advised the market that due diligence review conducted by Rescap and its advisors in respect of the financing for the development of the Winchester magnesite quarry (DD) has not been completed and the parties were in discussions regarding the terms for the extension of the DD period.

Korab wishes to advise that the parties could not reach an agreement regarding the amended terms and consequently the discussions between the parties have been terminated. The parties have further agreed to sign a deed of release to relieve each other of all obligations arising from the agreement dated 18 February 2015.

Korab and AusMag are in discussions with other parties regarding the funding of the Winchester project development. If and when an agreement is reached, Korab will advise the market accordingly.

- END -

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ABOUT KORAB RESOURCES

Korab Resources Ltd is an international mining and exploration company with operations in Australia and Europe. Korab's projects include gold and silver mine at Bobrikovo in Ukraine, Geolsec phosphate mine located 80km from Darwin in the Northern Territory of Australia and Winchester magnesite deposit located 75km from Darwin in the Northern Territory of Australia. The Company also explores for gold and copper at Ashburton Downs in Western Australia and for polymetallic deposits at Batchelor in the Rum Jungle mineral field in the Northern Territory of Australia. More information about Korab's projects can be sourced from Korab's website at www.korab.com.au. Korab's shares are traded on Australian Securities Exchange (ASX) and on the Berlin Stock Exchange (Berliner Börse) through Equiduct electronic trading platform.



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