

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

KORAB RESOURCES LIMITED
-------------------------

ABN

17 082 140 252
----------------

Quarter ended ("current quarter")

30 June 2013
--------------

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors		
1.2 Payments for		
(a) exploration and evaluation	(113)	(1,143)
(b) development		
(c) production		
(d) administration	(138)	(845)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	1	12
1.5 Interest and other costs of finance paid	(2)	(13)
1.6 Taxes paid	62	(81)
1.7 Other - refund		27
<b>Net Operating Cash Flows</b>	<b>(190)</b>	<b>(2,043)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) tenements	(29)	(108)
(b) equity investments		
(c) other fixed assets		(72)
1.9 Proceeds from sale of:		
(a) prospects		
(b) equity investments		
(c) other fixed assets		
1.10 Loans from / (to) other entities	91	487
1.11 Loans repaid (to) / by other entities		(594)
1.12 Other		
<b>Net investing cash flows</b>	<b>62</b>	<b>(287)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(128)</b>	<b>(2,330)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(128)	(2,330)
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc.	79	1,509
1.15	Proceeds from exercise of options		
1.16	Proceeds from borrowings	15	51
1.17	Repayment of borrowings	(49)	(63)
1.18	Dividends paid		
1.19	Other (prepayments)		
<b>Net financing cash flows</b>		<b>45</b>	<b>1,497</b>
	Net increase (decrease) in cash held	(83)	(833)
1.20	Cash at beginning of quarter/year to date	208	958
1.21	Exchange rate adjustments to item 1.20	0	0
1.22	<b>Cash at end of quarter</b>	<b>125</b>	<b>125</b>

On 29 June 2013 the Company secured \$480,000 debt facility from Chancery Holdings Pty Ltd (an entity controlled by Malcolm J. McKenzie who is a director of the Company) on normal commercial terms. As of 30 June 2013 this facility was not drawn down. Following the end of the quarter the Company has drawn down \$390,000 from this debt facility.

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	(49)
1.24	Aggregate amount of loans from the parties included in item 1.10	66
1.25	Explanation necessary for an understanding of the transactions	
	1.2.d This amount includes costs of running overseas office of subsidiary, wages of overseas staff, , etc.	
	1.24 During the quarter the directors provided cash loans of \$66,000 to the Company.	

**Non-cash financing and investing activities**

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

--

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

--

+ See chapter 19 for defined terms.

### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	480	-
3.2 Credit standby arrangements	600	600

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	20
4.2 Development	-
4.3 Production	-
4.4 Administration	150
<b>Total</b>	<b>170</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
5.1	Cash on hand and at bank	9	92
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (term deposits)	116	116
<b>Total: cash at end of quarter</b> (item 1.22)		125	208

On 29 June 2013 the Company secured \$480,000 debt facility from Chancery Holdings Pty Ltd (an entity controlled by Malcolm J. McKenzie who is a director of the Company) on normal commercial terms. As of 30 June 2013 this facility was not drawn down. Following the end of the quarter the Company has drawn down \$390,000 from this debt facility.

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

6.2 Interests in mining tenements acquired or increased			
---	--	--	--

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	135,098,444	135,098,444		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	1,048,016	1,048,016		
7.5 <b>+Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>(description and conversion factor)</i>	44,482,300	44,482,300	<i>Exercise price 25 cents</i>	<i>Expiry date 28 August 2014</i>
7.8 Issued during quarter				
7.9 Exercised during quarter				

+ See chapter 19 for defined terms.

7.10	Expired during quarter				
7.11	<b>Debentures</b> <i>(totals only)</i>				
7.12	<b>Unsecured notes</b> <i>(totals only)</i>				

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 31 July 2013  
(Director) .....

Print name: Andrej K. Karpinski .....

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not

---

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

---

address a topic, the Australian standard on that topic (if any) must be complied with.

== == == == ==