



# KORAB RESOURCES LIMITED

KORAB HOUSE

[www.korab.com.au](http://www.korab.com.au)

FPO SHARES

ASX: KOR

BERLIN: C6S.BE

Issued shares: 208 mln

Market Cap: \$6 mln

Issued options: 5.1 mln

Wednesday, 29 June 2016

## CONVERTIBLE LOAN LENDER AND WINCHESTER INVESTOR NOT RELATED

We refer to the Appendix 3B and the Cleansing Notice lodged on 28 June 2016 in relation to the 5,434,783 fully paid ordinary shares in Korab Resources Ltd ("**Korab**", or "**Company**") (ASX: **KOR**) issued without a disclosure document to exempt investors under section 708 of the Act, at a price of 2.3 cents per share on 28 June 2016 for a total of \$125,000 (**Placement**). These shares were issued as partial repayment of a convertible loan of \$250,000 reported to the market on 24 December 2015 and on 14 January 2016 (Appendix 5B), maturing on 24 June 2016. The loan envisaged a repayment either in cash or in shares. If the loan was to be repaid in shares, the shares were to be issued at a lesser of a 30% discount to 7 day VWAP of Korab shares prior to the loan drawdown date, or the loan maturity date.

We further refer to the ASX report dated 23 March 2016 which advised that Korab, and its wholly owned subsidiary AusMag Pty Ltd ("**AusMag**") have entered into an agreement with Mr. Hong Wang, (who represents interests associated with Chinese steel industry, banking and finance, construction and building materials) regarding an investment of \$6 million into new shares of AusMag (to fund the development of Winchester magnesium carbonate mine located near Darwin in the Northern Territory), and an investment of \$500,000 into new shares of Korab (10,000,000 shares at a price of 5c per share).

We have been advised that there is a market perception that the lender of \$250,000 and Mr Wong are related or that the \$125,000 placement is related to \$500,000 placement.

We would like to advise that the placement of 5,434,783 shares to the lender of \$250,000 and the placement of 10 million shares to Mr Wong are not related, and that these two parties are not related.

### CONTACT:

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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 deposit at Bobrikovo in eastern Ukraine, Geolsec phosphate rock deposit and Winchester magnesium carbonate deposit near 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 Northern Territory. More information about Korab's projects can be sourced from Korab's website at [www.korab.com.au](http://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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