



KORAB RESOURCES LIMITED

KORAB HOUSE

www.korab.com.au

FPO SHARES
Issued: 178.6 mln
Market Cap: \$6 mln
ASX: KOR
Last Price: AU\$ 3.1
BERLIN: C6S.BE
Last Price: € 0.02

Thursday 3 September 2015

GEOLSEC PHOSPHATE MARKETING/SALES PROGRESS

- **SIGNIFICANT PROGRESS MADE WITH MARKETING OF PHOSPHATE ROCK TO INDIA, MALAYSIA AND INDONESIA**

As a matter of compliance with continuous disclosure obligations, Korab Resources Ltd ("Korab", or "Company") (ASX: KOR) is pleased to provide an operations update on behalf of its wholly owned subsidiary Geolsec Phosphate Operations Pty Ltd ("Geolsec").

Korab is pleased to advise that it has received an expression of interest from the commodity trading arm of Greenstar Fertiliser Ltd, one of the major Indian fertiliser producers. The expression of interest is for a supply of Geolsec phosphate rock for processing in India as well as for potential distribution of direct application rock into Malaysia and Indonesia. The indicative volumes are between 40,000 tonnes and 45,000 tonnes per shipment. Korab is actively pursuing this opportunity.

Korab is also pleased to advise that the discussions regarding potential phosphate rock sales to "PT Petrokimia Gresik" are progressing well and that following the receipt of the results of the tests run on additional Geolsec phosphate rock samples provided recently, Geolsec has been invited to provide additional samples for further testing with the aim of optimising the chemical composition of the inputs. Korab is delighted to report that the invitation for Korab's Executive Chairman, Mr Andrej Karpinski to visit Indonesia for talks with CEO of "PT Petrokimia Gresik" has been reiterated following the receipt of results from the most recent testing.

Mr Karpinski commented that the company is actively promoting Geolsec rock phosphate through multiple distribution channels and that he sees the overall progress of the project to be very promising indicator for the project that could potentially lead to significant future sales and revenue.

"Korab has recently reported signing of the heads of agreement with the distributor in the Eastern States and discussions with phosphate/fertiliser operator in New Zealand regarding distribution of Geolsec rock. The company is also in discussions with other soil improvement and fertiliser distributors in Australia and overseas. The discussions with these parties are at various stages. Some of these parties have conducted tests on Geolsec rock, others are currently going through the testing process, some have already visited the Geolsec project while others are planning to visit the project in the near term. We have also recently reported discussions with multiple parties interested in acquiring equity interest in Geolsec. This is a very good progress for an unknown small player entering a new market at the time when large established suppliers are having difficulty maintaining sales volumes." Mr Karpinski said.

BACKGROUND TO GEOLSEC PHOSPHATE DEPOSIT

Location of the Geolsec project, just south of the port of Darwin (see Figures 1 and 2) and within a short distance to majority of Asian ports (see Figure 3) provides Geolsec project with significant advantages over phosphate producers located in Africa and the Middle East when supplying Asian, Australian New Zealand and buyers and distributors. Furthermore, Geolsec is connected to Queensland, NSW, Victoria, South Australia, and the Ord River agricultural region in WA via the national rail and highway network (see Figure 3), giving it access to all the main agricultural regions of all Australian states.



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The primary markets for overseas sales of the direct application rock phosphate are Indonesia, India, and New Zealand. The primary target markets for the domestic sales of the direct application phosphate rock, ground-up phosphate rock and phosphate rock blends, are organic farmers in Queensland, Victoria, New South Wales, South Australia and WA, plantations and pastoralists around Darwin (NT), and fruit growers in Ord River area (WA).

Geolsec direct application phosphate rock has a potential to provide substantial ongoing benefits to the environment by improving soil fertility and improving nutritional quality of produce grown on fields fertilised with phosphate rock and phosphate rock products. More information about Geolsec's benefits and the benefits of direct application of phosphate rock to soils is available from Korab website at www.korabresources.com.au/geolsec



Figure 1 Geolsec phosphate deposit located 85 km south of port of Darwin near town of Batchelor. Deposit is close to a highway, rail, water, gas, and power.

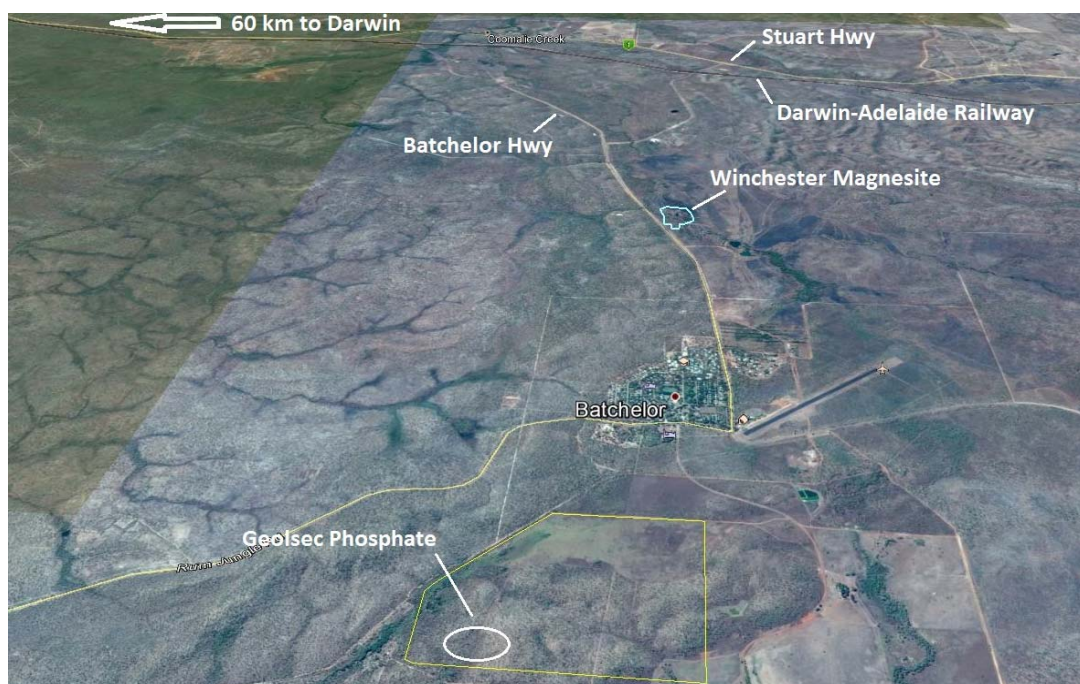


Figure 2 Geolsec deposit location relative to town of Batchelor, basic infrastructure and topography.



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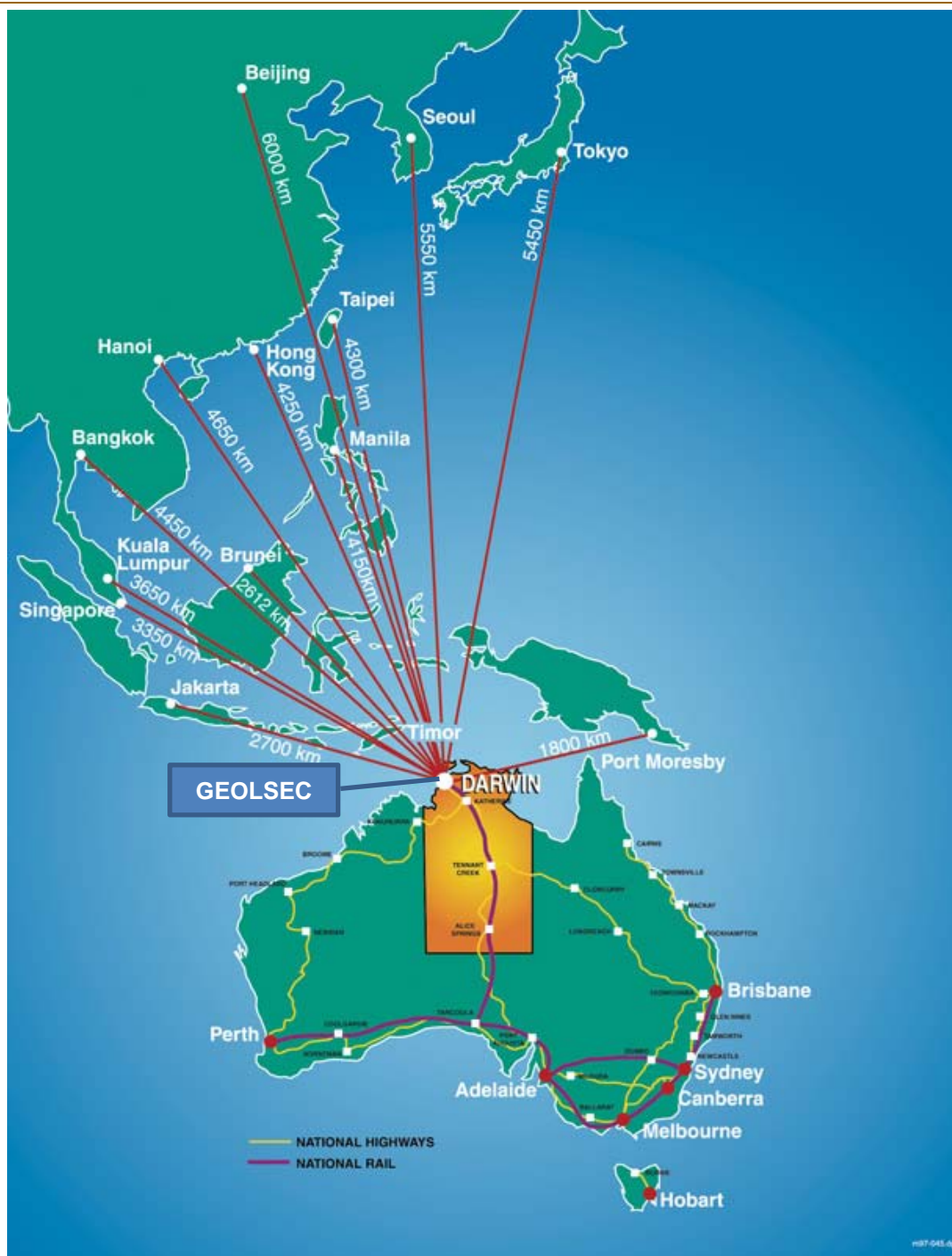


Figure 3 Strategic location of Geolsec project just 10 km by sealed road from the extensive national rail and highway network and just 80km by road or rail from Darwin port provide our quarry with excellent logistics unequalled by any other phosphate project in Australia.

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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 Geolsec phosphate quarry and Winchester magnesite deposit



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located south of Darwin in the Northern Territory and Bobrikovo gold and silver mine in Ukraine. The Company also explores for gold and copper at Ashburton Downs in Western Australia and for polymetallic deposits at Batchelor 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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