



# KORAB RESOURCES LIMITED

## KORAB HOUSE

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

### Issued Capital

Issued Shares: 367 Mln

Last Price: 0.8 cents

Capitalisation: \$3 Mln

### Listing Code

ASX: KOR

### Directors

**Andrej K. Karpinski**

Executive Chairman

Executive Director

**Anthony G. Wills**

Non-executive Director

(Independent)

**Alicja Karpinski**

Non-executive Director

### Projects

#### Rum Jungle (Pine Creek, NT)

Magnesium, Gold, Silver, Tin  
Zinc, Lead, Nickel, Copper,  
Cobalt, Rare Earth Oxides,  
Scandium, Gallium, Lithium,  
Iron Ore Manganese, Uranium  
Phosphate

31 March 2026

## SALE OF GEOLSEC MINERAL LEASE - UPDATE

Korab Resources Ltd (**Korab**, or **Company**) (ASX: KOR) and its subsidiaries (**Korab Group**) refer to the ASX report titled "SALE OF GEOLSEC MINERAL LEASE ML27362" released on 19 August 2024 which advised that Korab and Geolsec Phosphate Operations Pty Ltd (**Geolsec**) have executed a Binding Heads of Agreement (**HoA**) with an unrelated party, Leka II Shipping Limited (**Leka Shipping**) to sell to Leka Shipping all Korab Group's rights, title and interests in and to the Geolsec mineral lease ML27362 and all mining exploration information relating to the mineral lease ML27362 (the **Assets**) for a cash consideration of \$4.35 Million and a royalty of 10% of Net Smelter Returns on all minerals other than uranium and thorium and a royalty of 1% of Net Smelter Returns on uranium and thorium (**Transaction**), and to the ASX report titled "SALE OF GEOLSEC MINERAL LEASE – UPDATE" released on 28 May 2025 which advised that Korab Group has executed an agreement with Leka Shipping to extend the completion date of the Transaction to 30 November 2025 (**Extension**) in consideration for the increase of the rate of the Net Smelter Royalty payable by Leka Shipping to Korab Group on all minerals other than Uranium and Thorium from 10% to 15%, and the rate of the Net Smelter Royalty payable by Leka Shipping to Korab Group on Uranium and Thorium from 1% to 1.5%.

Mineral lease ML27362 is held solely by Geolsec (wholly owned subsidiary of Korab Resources Ltd) and is located some 60 km south of Port of Darwin in the Northern Territory of Australia.

Prior to execution of the HoA, Leka Shipping, Korab, and Geolsec had agreed that the purchase of the Assets would be completed through a new Australian proprietary company to be incorporated after the HoA had been executed.

This company, Leka 2 Fertiliser Shipping Pty Ltd (**Leka Fertiliser**) was incorporated on 18 September 2024.

Leka Shipping was dissolved in June 2025 prior to the formal documentation transferring the HoA from Leka Shipping to Leka Fertiliser being signed.

Korab was not aware of the dissolution of Leka Shipping until late November 2025 when formal documentation transferring the HoA to Leka Fertiliser was being prepared for execution.

A new Heads of Agreement (**Second HoA**) was prepared in December 2025, was executed by Leka Fertiliser in February 2026, and was executed by Korab and Geolsec in March 2026.

The terms of the Second HOA are the same, in all material respects, as the terms of the HoA as amended by the Extension.

Under the terms of the Second HoA Geolsec will sell to Leka Fertiliser all Korab and Geolsec's rights, title and interests in and to the Assets for a cash consideration of \$4.35 Million and a royalty of 15% of Net Smelter Returns on all minerals other than uranium and thorium and a royalty of 1.5% of Net Smelter Returns on uranium and thorium (**Current Transaction**).

The settlement date of the Current Transaction is no later than 22 May 2026 (60 days from execution of Second HoA) or at such other time as agreed in writing between the parties.

Leka Fertiliser is an Australian proprietary company which is wholly Australian owned and controlled and therefore FIRB approval for the Current Transaction to proceed under the Second HoA is not required.

Korab has confirmed to its own satisfaction the details of registration of Leka Fertiliser, its business operations, and its financial ability to complete the transaction by reviewing Leka Fertiliser credit reporting information, holding meetings with director of Leka Fertiliser, reviewing Leka Fertiliser's and



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its related parties' assets, Leka Fertiliser's business model and plans, and obtaining confirmation of funding available to Leka Fertiliser.

The Second HoA is binding on Korab and Geolsec, and Leka Fertiliser. The Second HoA is subject to Korab shareholder approval (if such is required by the ASX) and contains customary conditions, warranties, and assurances usual to these types of agreements.

If ASX requires Korab to obtain shareholder approval for the Current Transaction, such approval has to be obtained by 7 May 2026 (within 45 days from execution of Second HoA), or as amended by agreement between the parties.

The key conditions of the Current Transaction are that prior to and upon completion, Geolsec will ensure that there has been no material adverse change to the Assets and that the mineral lease ML27362 is in good standing. Furthermore, any party may lodge such caveats or other security pursuant to the Mining Act as it thinks fit to protect its interests in the transaction. The Second HoA requires compliance by the parties in all respects with the *Corporations Act 2001* (Cth) and the ASX Listing Rules as they apply to the transaction and requires respective parties to obtain all government, statutory or regulatory approvals, consents and/or permits required to enable parties to perform their obligations under the Second HoA, including Ministerial approval to the transfer of ML27362. The parties agree to use their best endeavours to ensure that the conditions are satisfied as quickly as possible and, in any event, on or before the deadlines set out above.

Korab intends to make a submission to ASX before the end of next week to seek a determination whether a shareholder approval is required for the Current Transaction pursuant to the ASX Listing Rules. If ASX determines that a shareholder approval is required, Korab will call an Extraordinary General Meeting of shareholders for the purpose of approving the Current Transaction, with the meeting to be held within approximately 30 days from receiving advice from ASX that shareholder approval is required for the Current Transaction.

If ASX determines that a shareholder approval is required for the Current Transaction and Korab shareholders do not grant such approval within the agreed time, then any monies already paid by Leka Fertiliser to Geolsec will be refunded to Leka Fertiliser and the Current Transaction will be at an end. Korab intends to use the proceeds from the Current Transaction to retire debt, for working capital purposes, and for exploration and development work on Rum Jungle Project.

There are no changes to the board or senior management proposed as a consequence of the Current Transaction.

Korab is not in possession of any other material information relevant to assessing the impact of the Second HoA or the Current Transaction on the price or value of Korab's securities.

Mineral lease ML27362 forms part of the Rum Jungle Project located in the Northern Territory of Australia. Mineral lease ML27362 is considered by the Company to be a non-core asset. Mineral lease ML27362 covers an area of 234 Ha (approximately 2 km<sup>2</sup>) and is underlain by Geolsec Formation (hematitic quartz breccia) and Coomalie Dolostone. Mineral lease ML27362 has been granted until 21 April 2035 and can be renewed for further terms.

- END OF THE REPORT -

This report has been authorised by Andrej K. Karpinski under powers delegated by the Board.

### INVESTOR RELATIONS CONTACT

Andrej K. Karpinski - Executive Chairman

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## ABOUT KORAB RESOURCES

Korab Resources Ltd is an Australian mining and exploration company. Korab's Rum Jungle Project near Batchelor in the Northern Territory of Australia includes Winchester magnesium deposit, Geolsec phosphate<sup>1</sup>, and gold, silver, copper, cobalt, nickel, lithium, scandium, lead, zinc, tin, manganese, and other prospects. 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).

## DISCLAIMER AND CAUTIONARY STATEMENT

Forward-looking statements are statements that are not historical facts. Words such as "expect(s)", "expected", "feel(s)", "believe(s)", "will", "may", "anticipate(s)", "should", "envisage(s)" and similar expressions are intended to identify such forward-looking information. This information includes, but is not limited to statements regarding future exploration results, resources, or reserves, and production. Anyone reading this report is cautioned not to place undue reliance on these forward-looking statements. All of such statements are subject to risks and uncertainties (many of which are difficult to predict and which generally are beyond the control of the Company) that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: those relating to the interpretation of exploration results (including drill results), the geology, grade and continuity of mineral deposits and conclusions of economic evaluations; risks relating to possible variations in reserves, grade, mining dilution, ore loss, and recovery rates; risks relating to changes in project financial and technical parameters; risks relating to the potential for delays in exploration programs, project evaluation/review, completion of feasibility studies and project development; risks related to commodity prices and foreign exchange rate fluctuations; risks related to failure to secure adequate financing on a timely basis and on acceptable terms; risks related to delays in obtaining governmental, or other permits and approvals; risks related to security of tenure; and other risks and uncertainties related to the Company's prospects, properties and business strategy. Any forward-looking information contained in this report is provided as of the date of this report. Except as required under applicable listing rules and securities laws, the Company does not intend, and does not assume any obligation, to update this forward-looking information.

<sup>1</sup> Geolsec phosphate mineral lease is subject to a sale agreement.

