



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

Thursday, 31 January 2008

By Electronic Lodgement

Company Announcements Office  
Australian Stock Exchange Limited  
2 The Esplanade  
PERTH WA 6000

## **QUARTERLY ACTIVITY REPORT QUARTER ENDING 31 DECEMBER 2007**

---

### **EXPLORATION AND DEVELOPMENT ACTIVITY**

During the December quarter Korab continued field work at the Company's Northern Territory (the NT) projects. In addition, Korab has progressed project evaluation and target generation work related to Company's Western Australian projects. As part of this process, Korab has acquired additional geophysical and geochemical data which has been merged into Korab's own data base to assist in further exploration work. This process will continue as new data is being acquired.

The work in the NT is focusing on the preparation of drilling programs for the Batchelor and Green Alligator projects. Company has also commenced discussions with various stake-holders regarding potential development of the Winchester magnesite deposit. The work in Western Australia is focusing on target generation and evaluation of anomalies at our Gascoyne and Yilgarn projects.

The Company has also continued to expand its technical capabilities through making further additions to our exploration team. As a result, our exploration team now consist of two in-house geoscientists (Dr. Inna Mudrovska and Dr. Stephen White) and two senior contract geologists plus their support staff.

### **NEW PROJECTS ACQUISITIONS**

#### ***Overseas***

During the quarter Korab has continued the work on the acquisition of a controlling stake in Donetsky Kryazh Ltd (DKL). DKL has the right to develop the Bobrikovo gold/silver deposit located in the south-eastern Ukraine.

#### ***Australia***

Korab is currently examining number of uranium, copper and gold projects in the Northern Territory and Queensland. Korab will be making further announcements regarding these projects subject to satisfactory completion of the due diligence process.

ASX TRADING CODE  
**KOR**

SHARE INFORMATION  
45 million shares on issue  
Last share price: AU\$0.19  
Market capitalisation  
AU\$8.55 million



KORAB RESOURCES LTD  
ACN 082 140 252  
PO BOX Z5447 PERTH WA 6831 AUSTRALIA,  
SUITE 6, LEVEL 1, 100 MILL POINT ROAD, SOUTH PERTH, WA, 6151 AUSTRALIA  
Tel +61 8 9474 6166  
Fax +61 8 9474 6266

Page: 1



## **CORPORATE ACTIVITY**

During the quarter, Korab's partly owned subsidiary, Uranium Australia Ltd has been continuing its work on the proposed IPO and listing of its shares on a securities exchange.

The date when the proposed IPO prospectus is expected to be lodged with the ASIC and the issue price of the IPO shares has not yet been set. Both details will be announced to the market when they have been determined.

As part of the proposed IPO, Korab shareholders who held Korab shares on 30 June 2007 will be entitled to a priority allocation of Uranium Australia IPO shares at the same issue price as other IPO participants and on a basis of 1 Uranium Australia share for every 3 Korab shares held on 30 June 2007. The remaining shares will be offered primarily to institutional investors.

Uranium Australia holds rights to 90% of uranium and thorium mineralisation within Korab's projects (Uranium Rights). In exchange for the rights, Korab has received 90 million shares in Uranium Australia. Korab and Uranium Australia Ltd have proposed (subject to the constitutions of Uranium Australia and Korab and to the Corporations Act and ASX listing rules) to amend the terms of the Uranium Rights transaction to the following effect:

1. Korab will repay to Uranium Australia Ltd the \$2 million received in June 2007;
2. Korab will transfer to Uranium Australia the Uranium Rights covering the Throssell JV and the Throssell Project in Western Australia;
3. Korab will transfer to Uranium Australia Ltd the Uranium Rights covering the Northern Territory and Queensland projects which are currently subject of examination by Korab;
4. Uranium Australia will issue an additional 15 million shares to Korab as consideration for the Uranium Rights.

As a consequence of this amendment and upon its completion Korab Resources will own 105 million shares in Uranium Australia. Following the proposed listing of Uranium Australia on a securities exchange, Korab intends to hold these shares as a strategic long term holding.

Regards

**Andrej KCK Karpinski, FAICD, F Fin  
EXECUTIVE CHAIRMAN**

ASX TRADING CODE  
**KOR**

SHARE INFORMATION  
45 million shares on issue  
Last share price: AU\$0.19  
Market capitalisation  
AU\$8.55 million



KORAB RESOURCES LTD  
ACN 082 140 252  
PO BOX Z5447 PERTH WA 6831 AUSTRALIA,  
SUITE 6, LEVEL 1, 100 MILL POINT ROAD, SOUTH PERTH, WA, 6151 AUSTRALIA  
Tel +61 8 9474 6166  
Fax +61 8 9474 6266

Page: 2