



KORAB RESOURCES LIMITED

ABN 17 082 140 252

**INTERIM FINANCIAL REPORT
31 DECEMBER 2024**

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DIRECTORS' REPORT

Your directors submit the financial report for Korab Resources Limited (“Korab” or “the Company”) and its subsidiaries (“consolidated entity” or “Korab Group” or “the Group”) for the half-year ended 31 December 2024. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

Directors

The names of directors who held office during or since the end of the interim period and until the date of this report are noted below. Directors were in office for the entire period unless otherwise stated.

Andrej K. Karpinski	Executive Chairman
Anthony G. Wills	Non-Executive Director
Alicja Karpinski	Non-Executive Director

Review of Operations

Rum Jungle Project (Pine Creek, Northern Territory)

Work undertaken during the reporting period included multi-stage high resolution ground gravity surveys, updates of various prior studies, planning of additional surveys, drilling programs, and sampling and mapping programs.

The Company also undertook reviews of historical data, assessments (for internal purposes) of various development options of Company’s assets, and discussions with potential finance providers, potential JV partners, potential buyers of magnesium metal, magnesium oxides, and magnesium carbonate.

Stage 1 of the vehicle-assisted ground gravity survey was commenced in July 2024 and was completed in September 2024. The preliminary results of the gravity surveys were reported to the market on 18 September 2024. Comparison maps of Korab’s new high-resolution gravity data and the historical (previously reported) NTGS’ low-resolution gravity data are provided below:

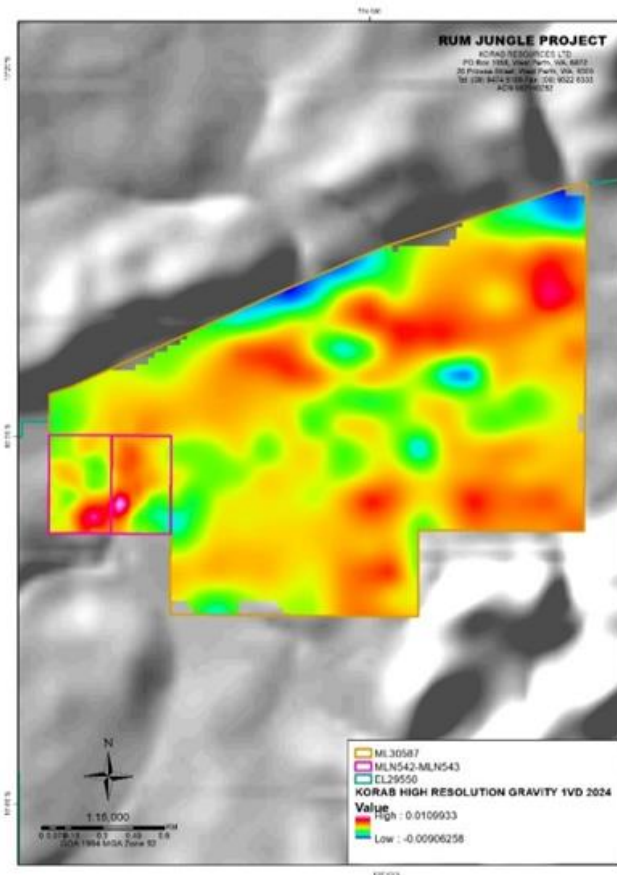


Figure 1 Korab's new gravity grid (1VD) of MLN542-MLN543 and ML30587

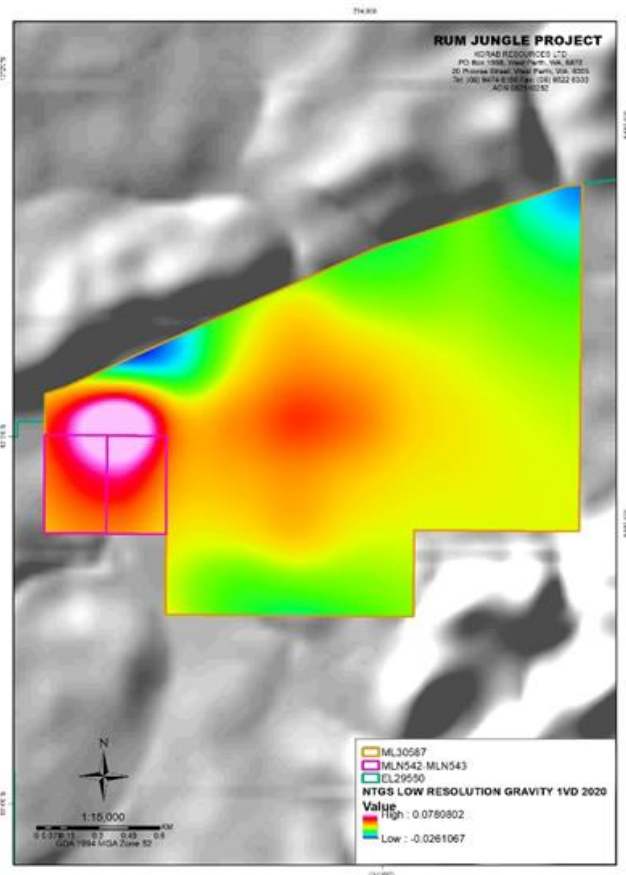


Figure 2 NTGS historical gravity grid (1VD) of MLN542-MLN543 and ML30587

DIRECTORS' REPORT

Review of Operations (continued)

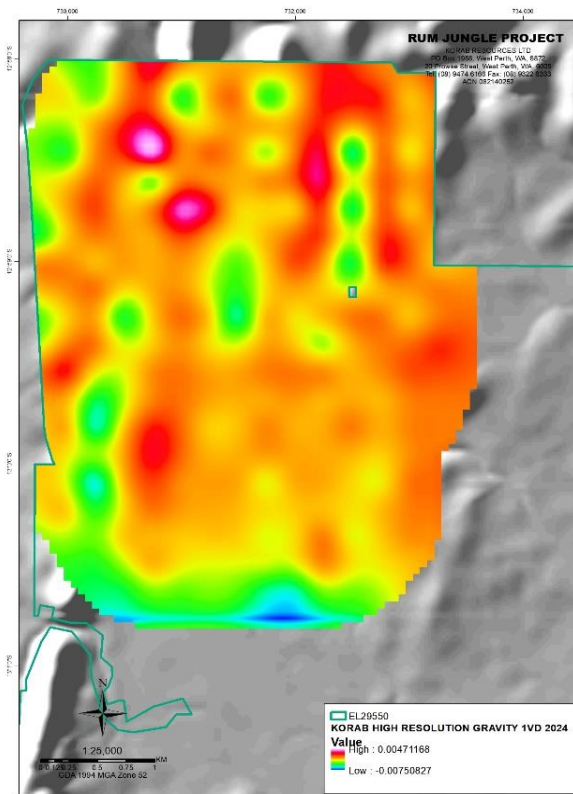


Figure 3 Korab's new gravity grid (1VD) of EL29550

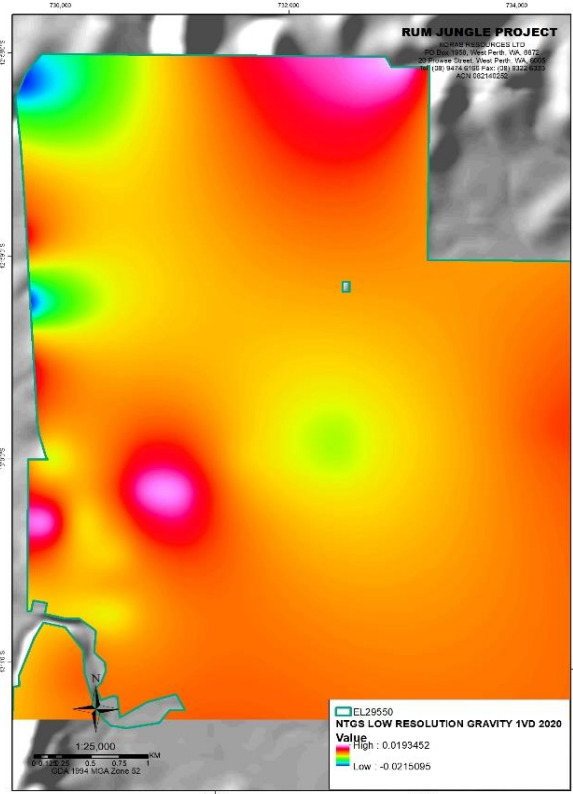


Figure 4 NTGS gravity grid (1VD) of EL29550

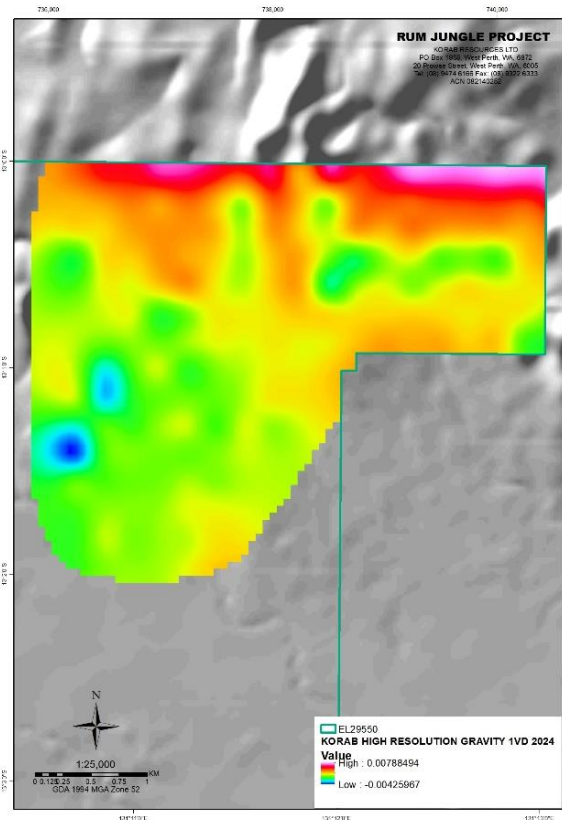


Figure 5 Korab's new gravity grid (1VD) of EL29550

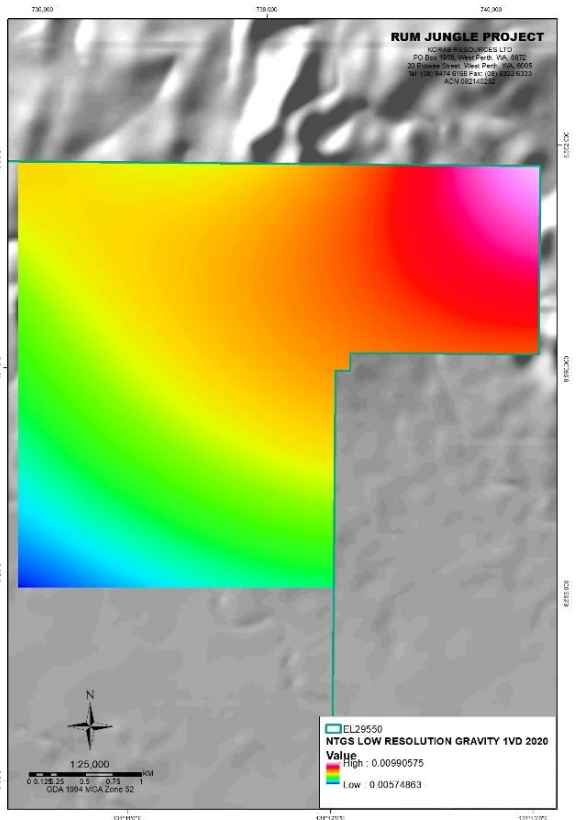


Figure 6 NTGS gravity grid (1VD) of EL29550

DIRECTORS' REPORT**Review of Operations (continued)**

The vehicle assisted ground gravity survey collected gravity data from approximately 700 ground gravity stations within MLN542, MLN543, ML30587, and EL29550. Korab contractors collected gravity readings on 50m x 50m station spacing grid at Sundance gold prospect within mineral leases MLN542 and MLN543; on 50m x 125m, and 125m x 125m station spacing grid at Winchester magnesium deposit within mineral lease ML30587; and on 125m x 250m, 250m x 250m, and 250m x 500m station spacing grid within exploration licence EL29550. Helicopter-assisted infill ground gravity survey commenced during the prior reporting period was continued during and following the end of the reporting period.

Additional work was undertaken during and following the end of the reporting period on planning of high resolution aerial geophysical program which includes LiDAR, electromagnetic, magnetic, and radiometric surveys of the Rum Jungle Project.

Work undertaken during the reporting period also included reviews of historical Reverse Circulation (RC), Diamond Core (DD) and Rotary Air Blast (RAB) drilling programs with the focus on gold, silver, copper, lead, and zinc potential of the Rum Jungle Project located on the west side of Stuart Highway.

GOLD POTENTIAL (RC, DD, AND RAB DRILLING)

Assessment covered lithology, geology and assay data for RC, DD, and RAB drilling programs conducted within MLN542, MLN543, MLN512, MLN513, MLN514, MLN515, EL29550 and EL31341 and recently acquired detailed ground gravity data for MLN542, MLN543, and portions of EL29550. RC and DD drill holes produced drillchip samples or drillcore samples. RAB drill holes produced soil samples as their depth varied from 0.5 m to 23 m depth and did not penetrate rock.

The results of this assessment indicate the presence of geological features consistent with potential gold mineralisation within the Rum Jungle Project; however, further drilling is required to determine continuity, size and grade.

At Sundance Prospect, diamond hole SD93/1D intercepted 10.90 meter gold interval grading 33.80 g/t Au (from 9.50 meter depth), followed by an 5.05 meter interval grading 16.79 g/t Au (from 22.00 meters depth) in a massive auriferous pyrite "pipe". Highlights from this diamond drilling program at Sundance Prospect are reported in the table below.

Prospect	Hole ID	EOH Depth meters	Sample type	Downhole from meters	Downhole to meters	Downhole Intersection meters	Au PPM	
Sundance	SD93/1D	32.90	½ core	9.50	20.40	10.90	33.80	
			Including	½ core	9.50	11.00	1.5	6.01
			½ core	11.00	12.50	1.5	14.65	
			½ core	12.50	14.00	1.5	154.00	
			½ core	14.00	14.40	0.4	93.90	
			½ core	14.40	15.90	1.5	13.20	
			½ core	15.90	17.40	1.5	10.30	
			½ core	17.40	18.90	1.5	12.50	
			½ core	18.90	19.40	0.5	6.81	
			½ core	19.40	20.40	1	11.50	
Sundance	SD93/1D	32.90	½ core	22.00	27.05	5.05	16.79	
			Including	½ core	22.00	23.40	1.4	11.73
			½ core	23.40	24.90	1.5	14.20	
			½ core	24.90	26.40	1.5	12.60	
			½ core	26.40	27.05	0.65	43.30	

High grade ore from Sundance Gold Mine historical mining operation (approximately 35,000 dry tonnes in aggregate) was trucked in 4 shipments to Cosmo Hawley and Mount Bonnie mines for processing after concentration on site. Concentrate tails and lower grade ore from Sundance Gold Mine were stockpiled next to the open pits within mineral leases MLN542 and MLN543 where they remain.

Processing of the high grade gold concentrate produced approximately 7,800 ounces of gold. Gold recovery rates ranged from 88.74% to 97.61% (depending on shipment and processing mine).

Historical production of gold from Sundance Prospect took place between 1986 and 1994 when gold prices ranged from AU\$430 per ounce to AU\$690 per ounce. Current gold price ranges from approximately AU\$6,000 per ounce to AU\$8,000 per ounce making processing of low grade ore and concentrate tails more viable.

During the reporting period Company has continued the work on planned re-processing of gold tailings stockpiles located on mining lease MLN542 and MLN543 and restarting mining at Sundance prospect.

DIRECTORS' REPORT**Review of Operations (continued)**

The Company updated internal scoping study of the economics of the re-processing of the stockpiles located at the Sundance prospect. Prior to any decision to commence processing of stockpiles, it will be necessary to undertake a small auger or aircore drilling program to test the grade of the remaining stockpiles of previously mined rock located at Sundance. Before restarting of mining at Sundance it will be necessary to undertake a small reverse circulation (RC) drilling program to test potential mineralisation at depth and around the prospect. The work during the reporting period at Sundance prospect included:

- Assessment of the potential additional gold mineralisation;
- Financial modelling for internal company purposes of economics of re-processing stockpiles and restarting of mining;
- Planning of the drilling programs to test the grade of the remaining stockpiles of previously mined rock located at Sundance and to test potential mineralisation at depth at and around the Sundance prospect.

These assessments and modelling were continued following the end of the reporting period.

At the Yennefer Prospect (located approximately 800 meters to the north-east of Sundance Prospect and approximately 50 meters to the south of the Winchester magnesium deposit) similar style of mineralisation was found in 2 RC holes drilled approximately 40 m apart (MRC214 and MRC054). MRC214 intercepted 7 meter interval grading 8.83 g/t Au from 34 meters depth. This interval included single meter intercepts of 10.10 g/t Au, 14.1 g/t Au and 15.3 g/t Au. Highly anomalous gold values (at or above 1/t Au) are reported in the table below:

Prospect	Hole ID	EOH Depth meters	Sample type	Downhole from meters	Downhole to meters	Downhole Intersection meters	Au PPM
Yennefer	MRC214	101	1m chips	34	41	7	8.83
	Including		1m chips	35	36	1	9.60
			1m chips	36	37	1	10.10
			1m chips	37	38	1	7.15
			1m chips	38	39	1	14.10
			1m chips	40	41	1	15.30
Yennefer	MRC054	108	1m chips	69	76	7	2.56
	Including		1m chips	69	70	1	1.69
			1m chips	71	72	1	5.67
			1m chips	73	74	1	3.75
			1m chips	74	75	1	2.76
			1m chips	75	76	1	1.65
			1m chips	89	90	1	4.08

At Sundance East Prospect located approximately 5 km north-east of Sundance Prospect, RC drilling program conducted by Mt Grace Minerals prior to the acquisition of the area by Korab, intercepted gold mineralisation in several holes. Highlight of the original RC drilling program at Sundance East was 7 meters @ 4.77 g/t Au in hole BRC06 from 96 metres depth (see table below for details).

Prospect	Hole ID	EOH Depth meters	Sample type	Downhole from meters	Downhole to meters	Downhole Intersection meters	Au PPM
Sundance East	BRC06	108	1m chips	96	103	7	4.77
	Including		1m chips	96	97	1	3.79
			1m chips	97	98	1	5.15
			1m chips	98	99	1	5.15
			1m chips	99	100	1	6.08
			1m chips	100	101	1	4.16
			1m chips	101	102	1	5.54
			1m chips	102	103	1	3.51

Review of RAB soil sampling data included approximately 2,600 soil samples collected from 780 RAB drill holes drilled on the west end of the Rum Jungle project. Review of RAB gold sampling data has generated several new gold targets within the western part of the Rum Jungle Project. Map of collar locations and gold assay results (highest assay for each location) over Korab's high-resolution ground gravity image and NTGS low-resolution gravity image is shown in the diagram below.

DIRECTORS' REPORT

Review of Operations (continued)

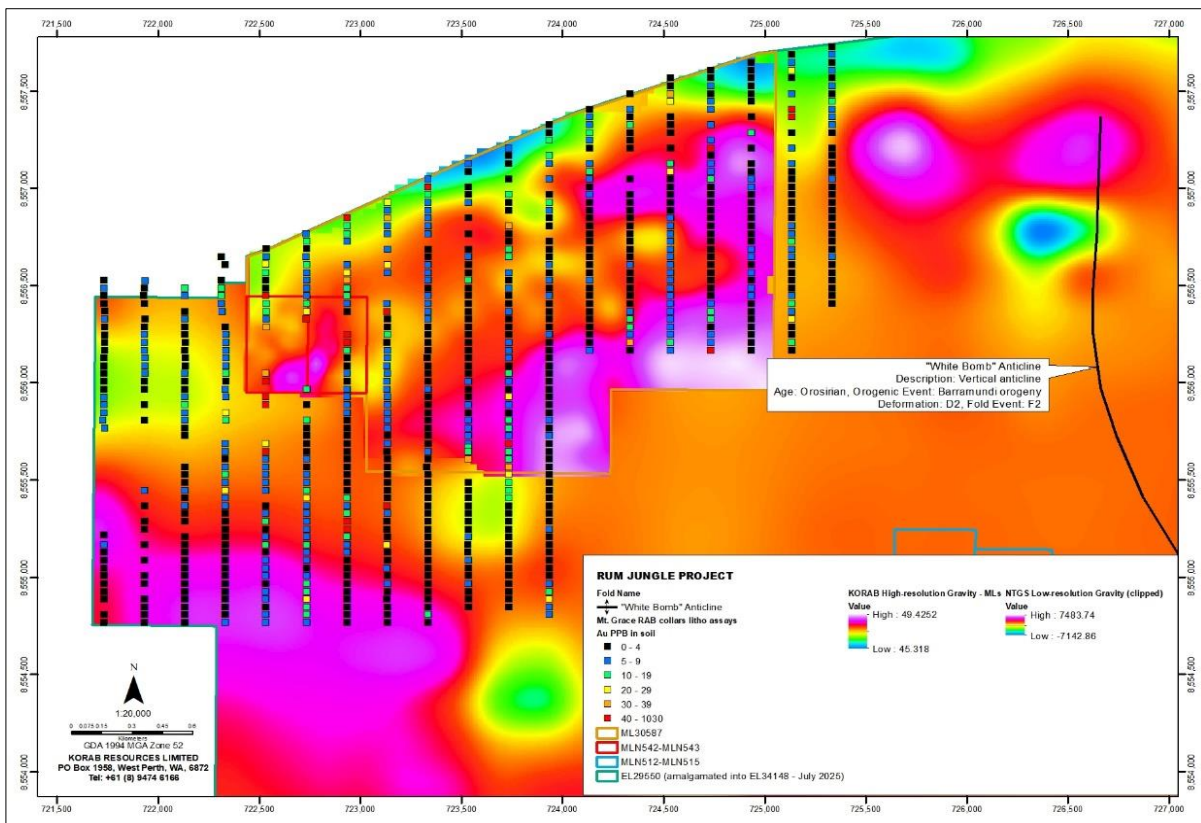


Figure 1 Mt Grace RAB Au soil assay results on gravity

Map of gold anomalies generated from the RAB soil sampling review, together with historical RC and DD drill collars from drilling programs covered by this report projected on Korab's high-resolution ground gravity image and NTGS low-resolution gravity image is shown in the diagram below.

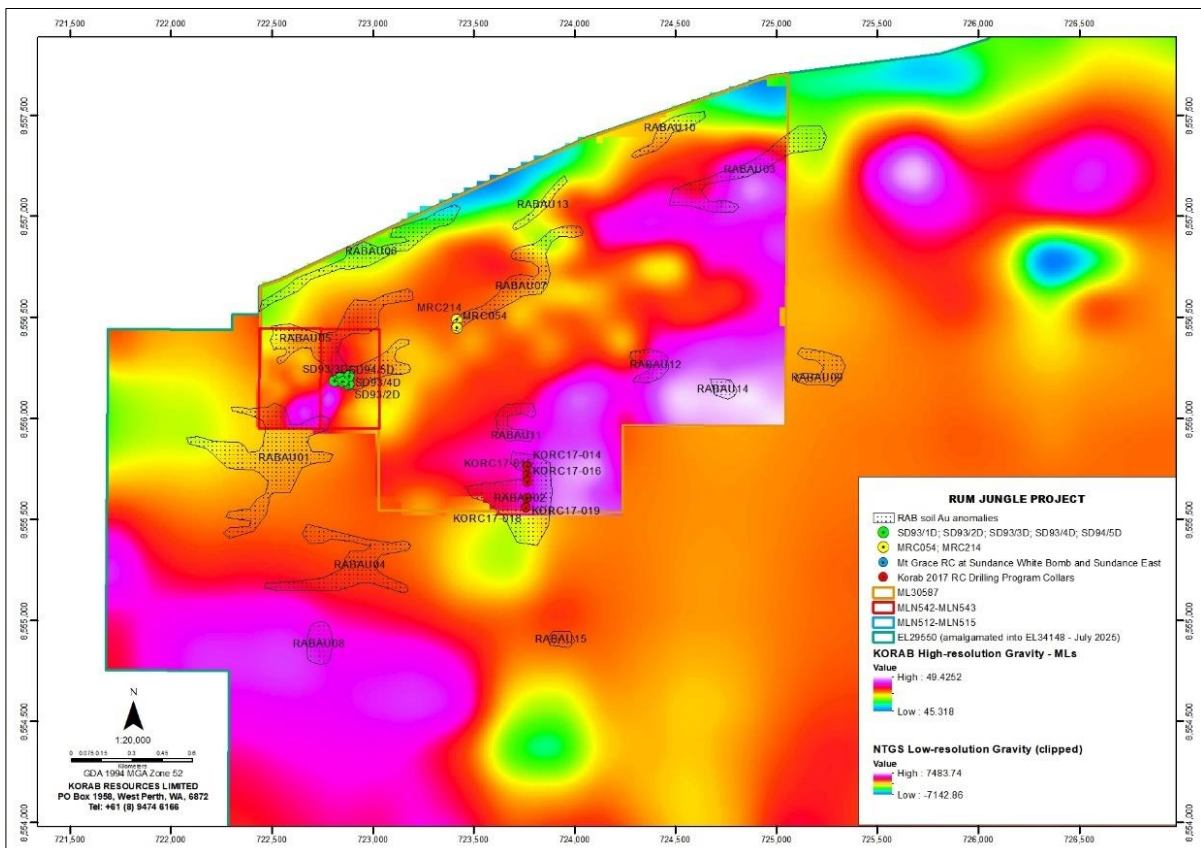


Figure 2 Mt. Grace RAB Au soil anomalies with historical RC and DD collars on gravity

DIRECTORS' REPORT

Review of Operations (continued)

As shown in the above map, there are a number of gold-in-soil anomalies generated from Korab's review of Mt. Grace RAB drilling data that remain untested by deeper drilling.

SILVER, LEAD AND ZINC POTENTIAL (RC, DD AND RAB DRILLING)

Mt Grace RAB soil sampling program did not include assays for silver and consequently the review of silver potential was limited to available silver assays data from RC and DD drilling programs.

The best silver assay results were received for Mt. Grace RC and DD drill holes drilled at White Bomb Prospect. The intercepts at or above 40 g/t Ag are listed in the table below.

DH_Hole	DH_From	DH_To	Sample	Ag_PPM	Cu_PPM	Pb_PPM	Zn_PPM
WBD06	42	44	646627	210	320	83,800	1,550
WBD06	44	46	646628	135	190	135,000	1,570
WBD06	50	52	646631	115	130	20,800	2,130
WBP01	117	118	646295	110	2,850	173,000	243,000
WBD06	48	50	646630	99	210	23,600	7,850
WBD06	56	58	646634	90	97	14,400	910
WBD06	46	48	646629	71	96	13,900	2,500
WBD06	54	56	646633	61	68	12,600	1,020
WBP01	118	119	646296	50	1,450	56,000	146,000
WBD06	52	54	646632	49	58	9,560	1,790
WBP01	115	116	646293	45	640	9,800	136,000
WBP01	119	120	646297	40	590	27,000	86,600

Korab reviewed lead, and zinc assays in RAB soil sampling, as well as RC and DD drilling focusing on correlations between the geophysical data for Rum Jungle Project and Woodcutters Mine located 8 km to the north-north/east from White Bomb Prospect and the geological and structural data for the Rum Jungle Project and Woodcutters Mine. Multiple lead anomalies were defined from RAB soil sampling.

Diagrams of lead soil assays over gravity and lead soil anomalies over gravity are shown below.

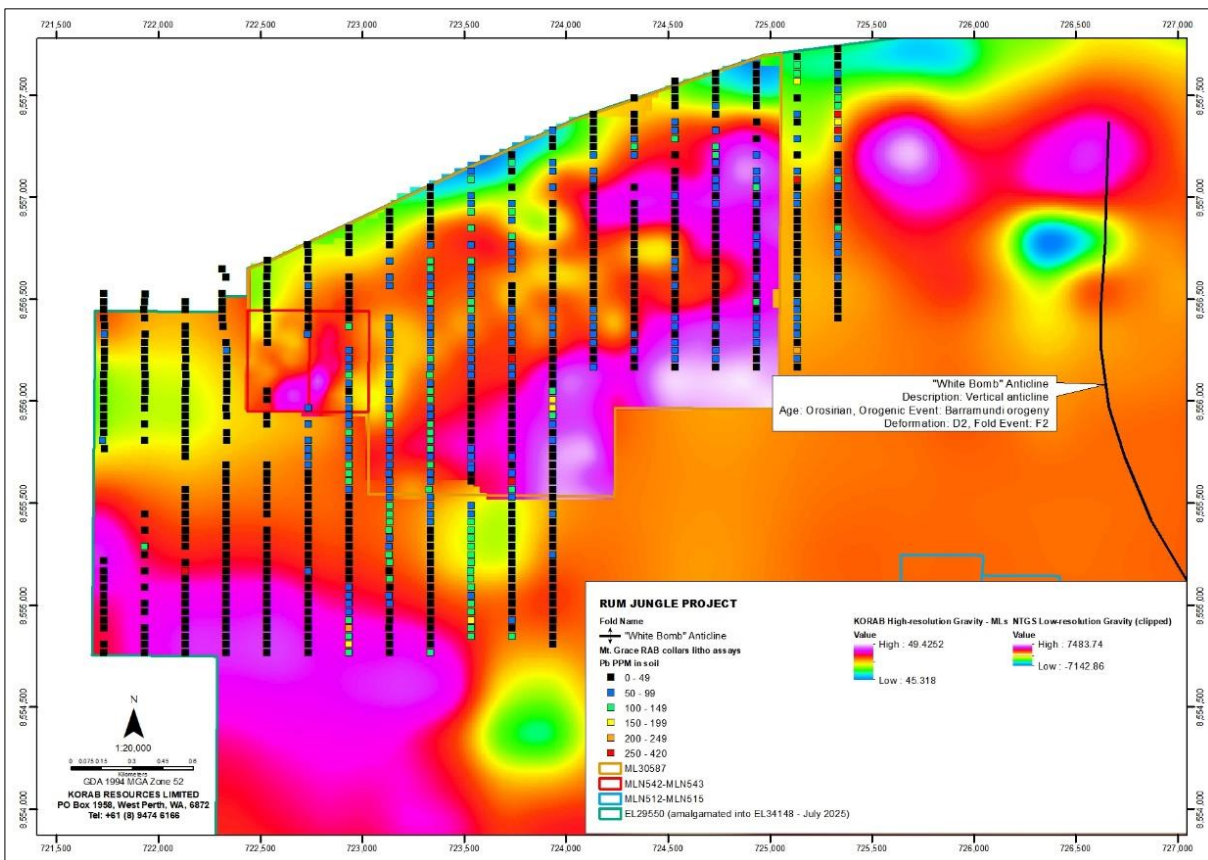


Figure 3 Mt Grace RAB Pb soil assay results on gravity

Multiple zinc anomalies were defined from RAB soil sampling. Diagrams of zinc soil assays over gravity and zinc soil anomalies over gravity are shown below.

DIRECTORS' REPORT

Review of Operations (continued)

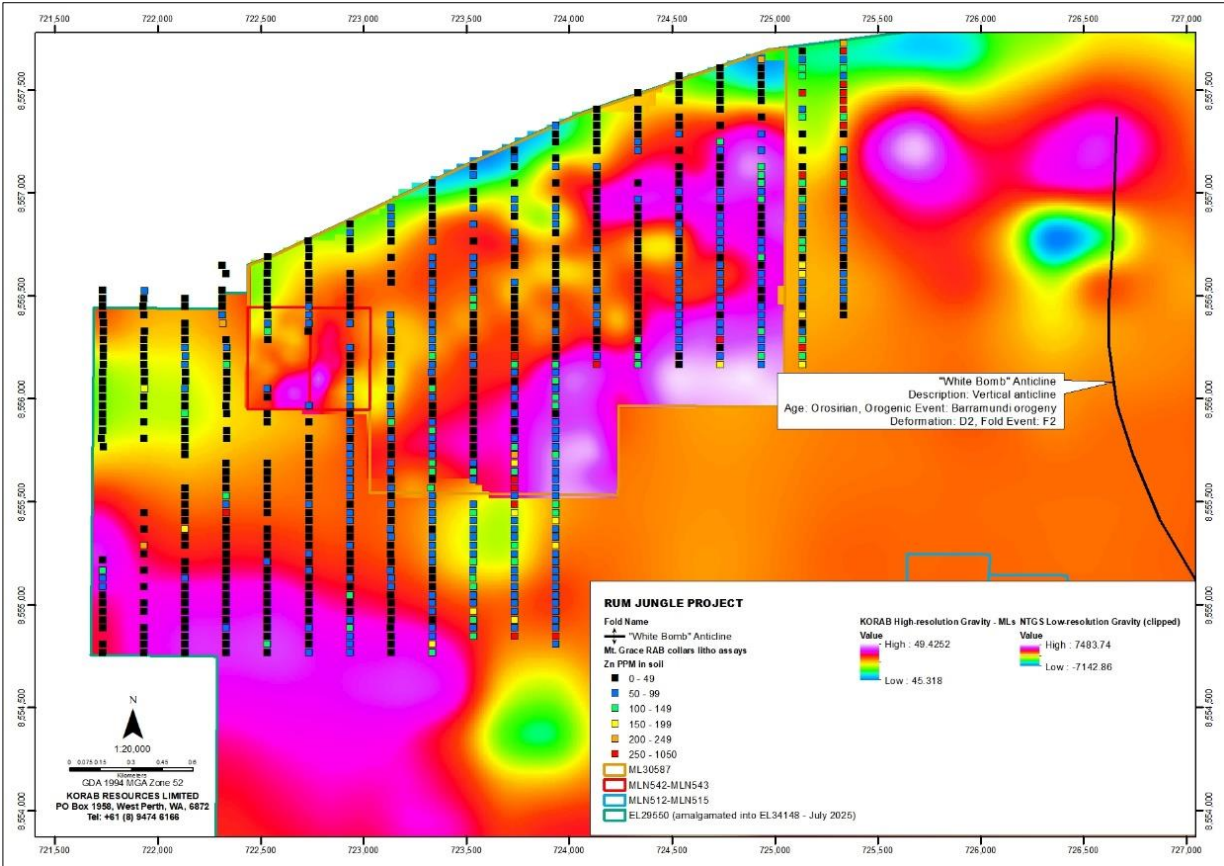


Figure 4 Mt Grace RAB Zn soil assay results on gravity

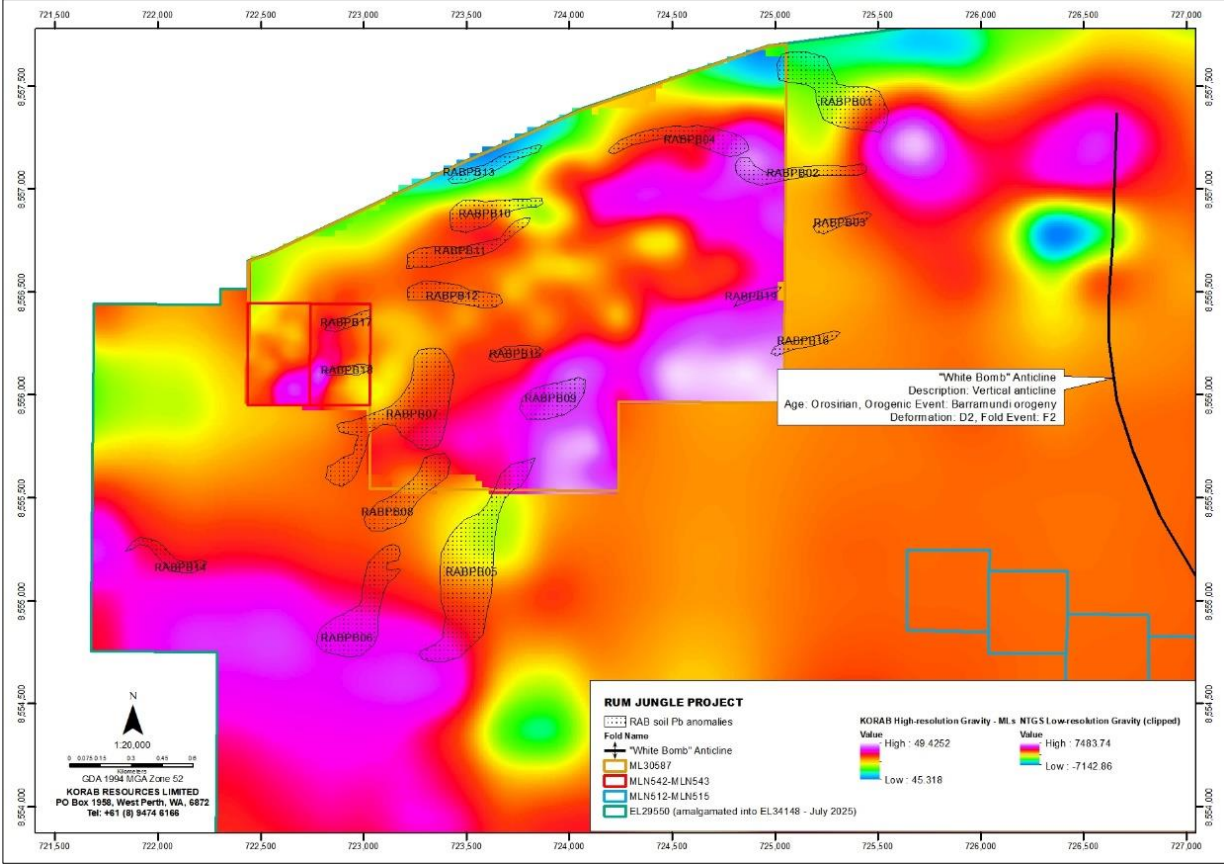


Figure 5 Mt. Grace RAB Pb soil anomalies on gravity

DIRECTORS' REPORT

Review of Operations (continued)

High grade silver, lead and zinc intercepts in RC and DD drilling, anomalous lead and zinc in RAB soil samples, favourable geology and structural features, proximity and geological/structural similarity to the setting of the Woodcutters silver, lead, zinc and antimony mine indicate the presence of geological features consistent with potential silver, lead and zinc mineralisation within the Rum Jungle Project; however, further drilling is required to determine continuity, size and grade.

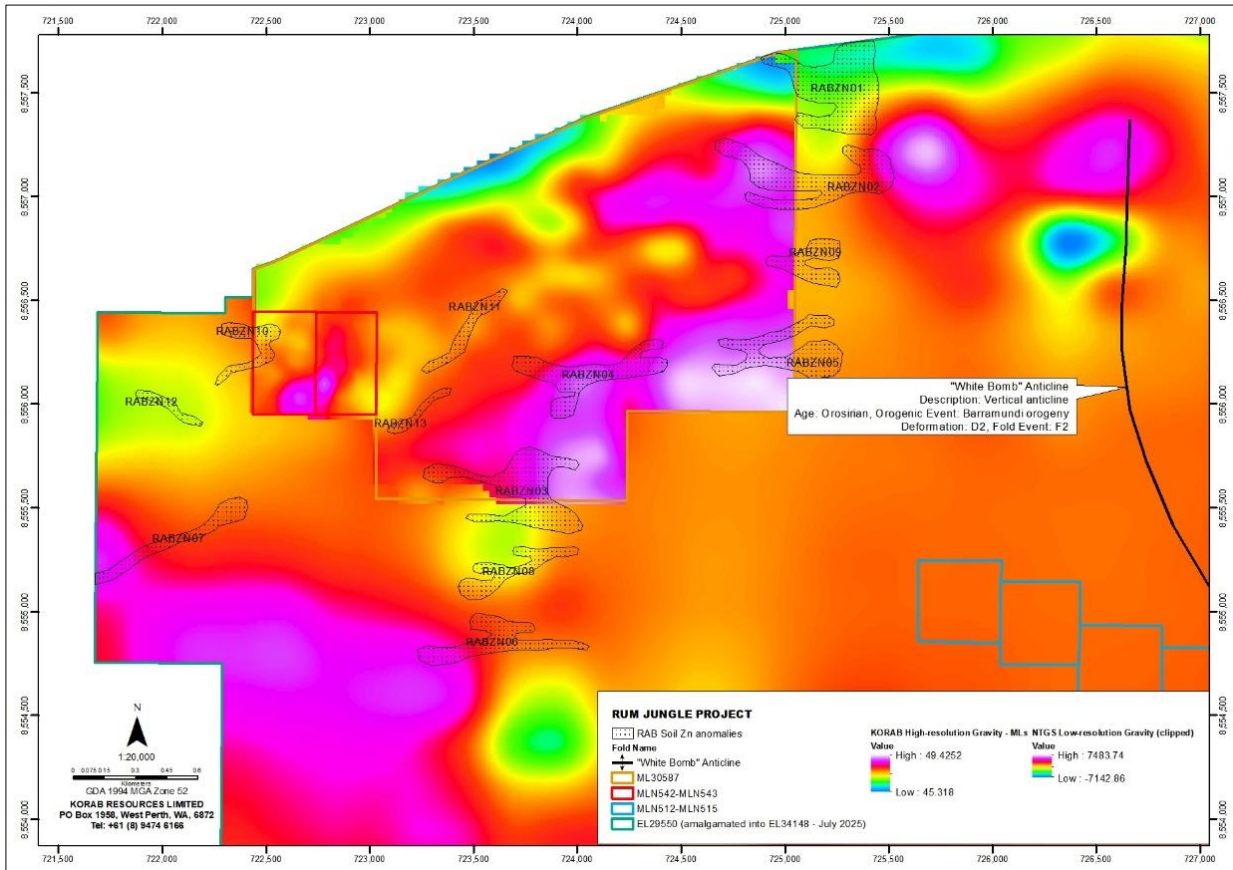


Figure 6 Mt. Grace RAB Zn soil anomalies on gravity

Woodcutters Mine started as a lead and zinc soil anomaly discovered in 1966 by the Bureau of Mineral Resources. Several RC and DD holes were later drilled intercepting narrow mineralisation within Whites Formation. Step out drilling eventually found the main deposit which was later mined from 1985 to 1999. Over the life of mine Woodcutters produced approximately 16 million ounces of silver, 539,000 tonnes of zinc, and 245,000 tonnes of lead. According to NT Geological Survey, Woodcutters deposit average grades were 87 g/t Ag, 5.6% Pb, and 12.3% Zn. In addition to producing lead and zinc concentrates, silver and antimony were important by-products of the Woodcutters Mine.

Rum Jungle Project highest priority lead and zinc soil anomalies and high grade silver, lead and zinc intercepts in RC and DD drilling are proximal to similar north-south striking structural features as those intersecting the Woodcutters Mine. Rum Jungle Project RAB lead and zinc soil anomalies also occur within Whites Formation.

High grade silver, lead and zinc mineralisation (with traces of copper) intersected in RC and DD drilling programs within Rum Jungle Project occurred in chlorite-carbonate altered dolerite sills of Whites Formation intruding Wildman Siltstone (to the south of Whites Formation/Wildman Siltstone contact).

"White Bomb" anticline continues north and stops within Whites Formation. Whites Formation extends for over 15 km strike length through the Rum Jungle Project crossing from the Rum Jungle Project to the Woodcutters Mine. Several coincident gravity anomalies proximal to the end zone of the "White Bomb" anticline further enhance prospectivity of this area.

Location of silver, lead and zinc intercepts in RC and DD drilling programs at White Bomb Prospect, structural features of interest, extent of Whites Formation and location of Woodcutters and Embayment Areas are shown in the diagram below.

DIRECTORS' REPORT

Review of Operations (continued)

While similarities exist in stratigraphy and structure to the Woodcutters deposit, no Mineral Resource other than the Winchester magnesium mineral resource has been defined at Rum Jungle Project and insufficient drilling exists to estimate one.

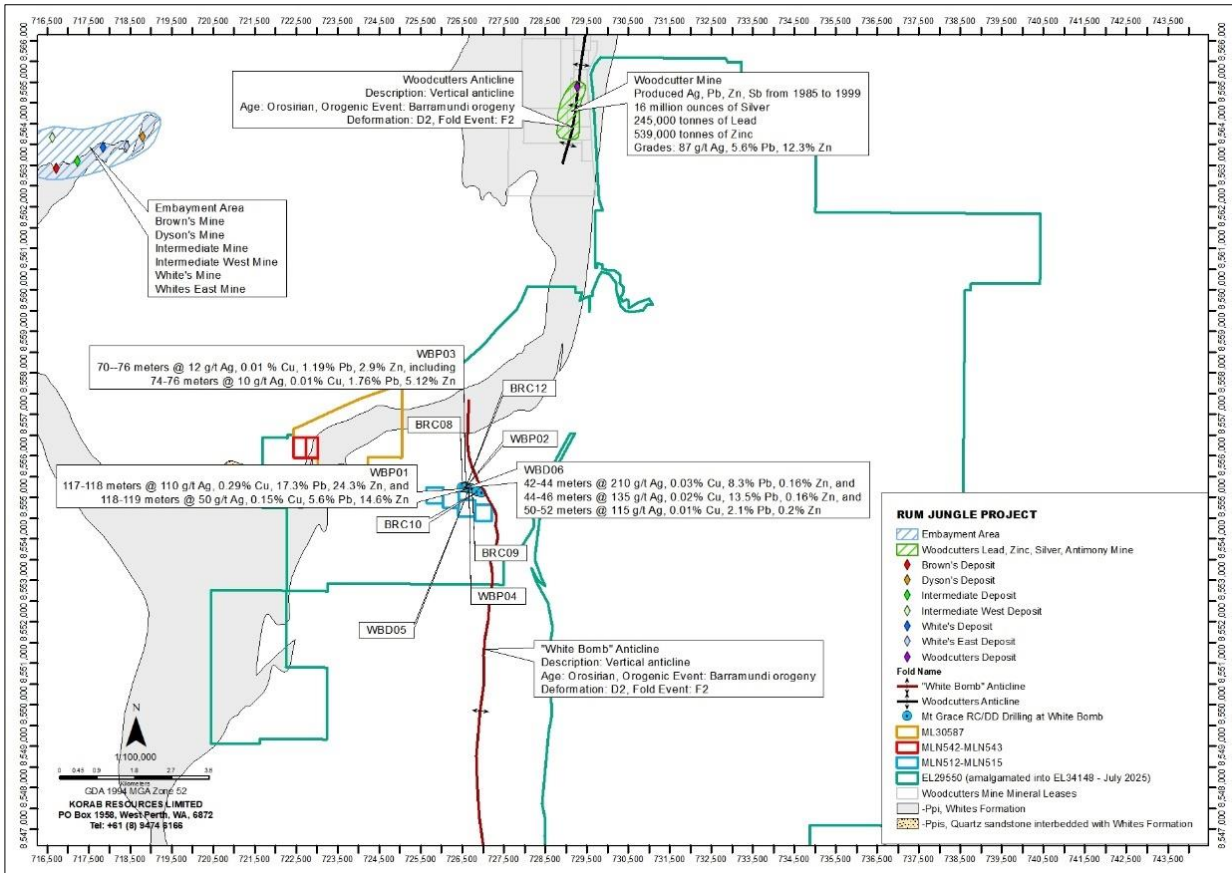


Figure 7 Locations of White Bomb Prospect and Woodcutters Mine on selected structural and geology data.

COPPER AND COBALT POTENTIAL (RC, DD AND RAB DRILLING)

Additional work included review of assay results from Reverse Circulation and Diamond Core historical drilling programs and RAB soil sampling data in conjunction with gravity, lithology and structural data to assess the copper and cobalt potential of the Rum Jungle Project on the west side of Stuart Highway. The conclusion of this review of the area of the Rum Jungle Project which was subject of this assessment is that the results indicate the presence of geological features consistent with moderate potential for copper and cobalt mineralisation within this area. The best copper and cobalt results from Mt. Grace drilling program at Sundance East Prospect are listed in the table below.

Hole ID	DH From meters	DH To meters	Sample ID	Au PPM	Co PPM	Cu PPM	Cu PCT	Ni PPM	Pb PPM	Sn PPM	Zn PPM
BRC01	15	16	MG5016	2.07	236	4,070	0.41	172	65	79	18
BRC05	42	43	MG5286	1.86	275	3,350	0.34	155	99	15	16
BRC05	43	44	MG5287	1.74	295	3,320	0.33	185	46	56	18
BRC05	45	46	MG5289	2.91	375	2,040	0.20	242	40	70	13
BRC05	55	56	MG5299	0.78	640	4,840	0.48	220	7	90	21
BRC05	56	57	MG5300	2.29	1,460	10,000	1.00	510	26	114	149
BRC05	57	58	MG5301	1.31	1,300	12,100	1.21	340	24	73	35
BRC05	58	59	MG5302	1.36	1,040	16,900	1.69	375	16	66	37
BRC05	59	60	MG5303	0.56	575	7,780	0.78	161	16	66	31
BRC05	60	61	MG5304	0.01	575	7,780	0.78	161	16	66	31
BRC05	61	62	MG5305	0.64	615	7,990	0.80	224	18	110	34
BRC05	62	63	MG5306	0.95	515	14,000	1.40	226	25	60	39
BRC05	63	64	MG5307	0.81	415	7,880	0.79	165	11	68	28
BRC05	64	65	MG5308	0.96	435	6,830	0.68	185	15	165	26
BRC05	65	66	MG5309	1.69	765	9,420	0.94	295	16	55	33
BRC05	66	67	MG5310	0.87	325	2,140	0.21	120	20	67	20

DIRECTORS' REPORT

Review of Operations (continued)

Review of RAB soil sampling program generated multiple copper and cobalt soil anomalies. Maps of RAB collar locations and soil copper assays from Mt. Grace RAB soil sampling program overlaid on Korab's high-resolution and NTGS low-resolution gravity data and map of copper soil anomalies overlaid on Korab's high-resolution and NTGS low-resolution gravity are shown below.

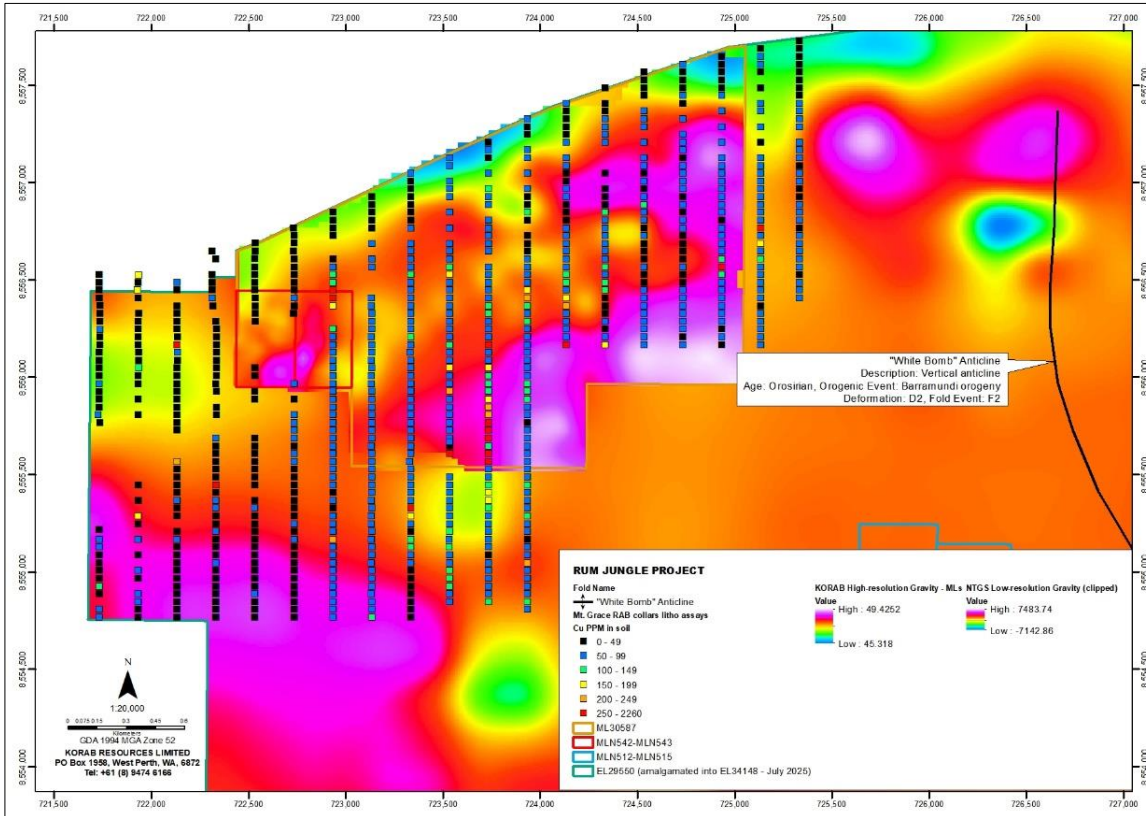


Figure 8 Mt. Grace RAB Cu soil assay results on gravity

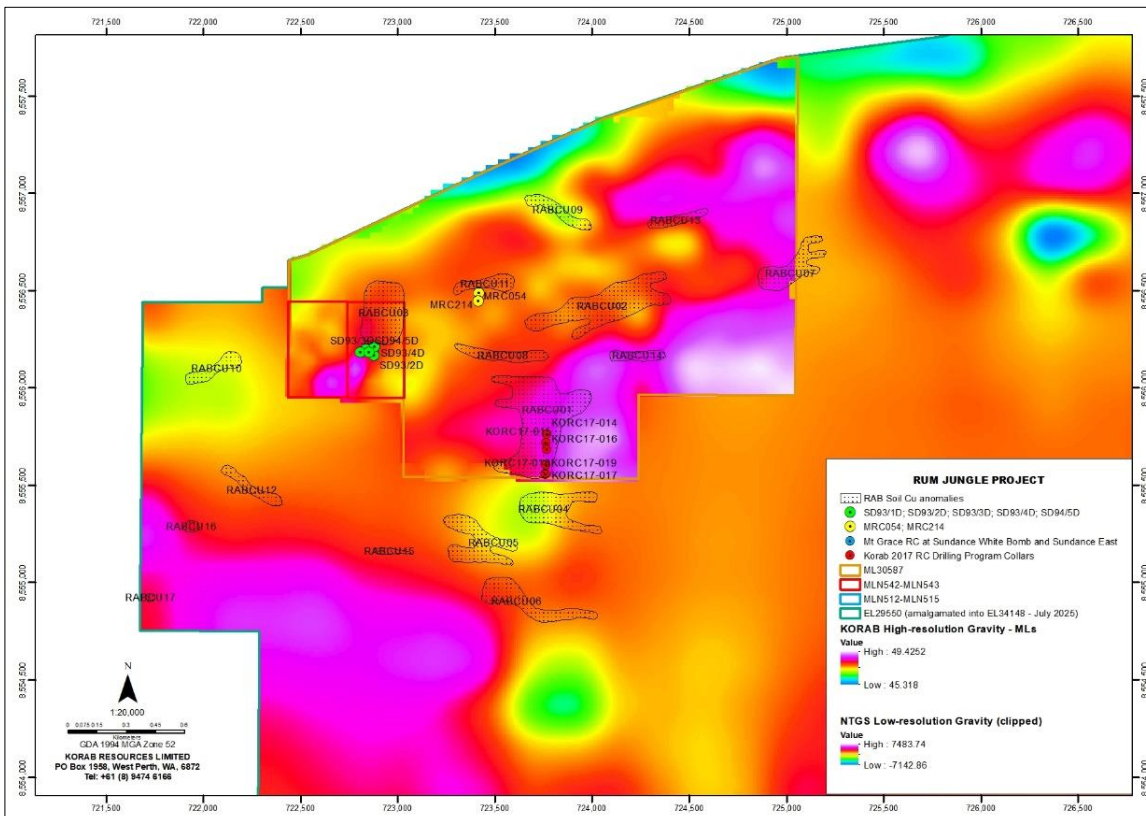


Figure 9 Mt. Grace RAB Cu soil anomalies and historical RC and DD drill collars on gravity

DIRECTORS' REPORT

Review of Operations (continued)

Review of data generated by historical RC and DD drilling programs in conjunction with soil geochemistry, structural data and geophysical survey results indicates that the Rum Jungle Project has a potential to host multiple occurrences of gold mineralisation in narrow bodies, as well as the potential for finding silver, lead, and zinc mineralisation in:

- discordant, structurally emplaced orebodies, and/or
- large stratiform, or stratabound base metal deposits.

There is evidence of both styles of mineralisation in close proximity to the Rum Jungle Project.

Discordant, structurally emplaced orebodies were mined at the Woodcutters Mine to the north of the Rum Jungle Project.

Large stratiform or stratabound base metal deposits were mined at Brown's, Dysons, Intermediate, White's and other mines in the Embayment Area to the north-west of the Rum Jungle Project.

While similarities exist in stratigraphy and structure to the Woodcutters deposit, no Mineral Resource other than the Winchester magnesium mineral resource has been defined at Rum Jungle Project and insufficient drilling exists to estimate one.

Please refer to the following diagram for the locations of all drilling programs assessed during this review at Sundance, Yennefer, White Bomb, Cu-Co, and Sundance East Prospects on gravity data.

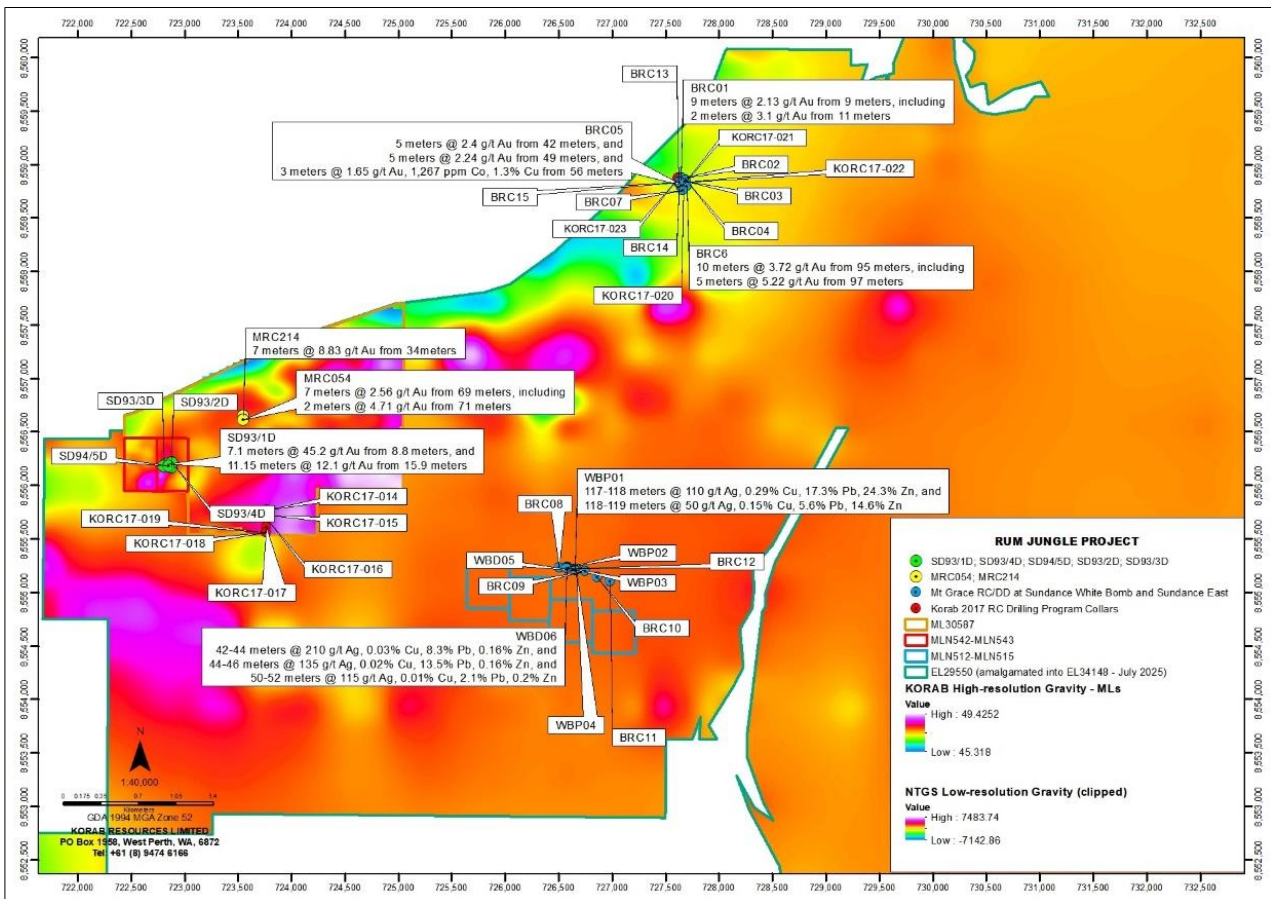


Figure 10 Locations of all assessed RC and DD drilling programs on gravity

During the reporting period, the Company also continued updates of previously reported pre-feasibility studies:

- The pre-feasibility study into the production and sales of DSO magnesium carbonate rock (magnesite) from Winchester quarry, which was originally reported to the market on 21 March 2018;
- The pre-feasibility study into the processing and sales of magnesium oxides (Caustic Calcined Magnesia and Dead Burned Magnesia), which was originally reported to the market on 12 September 2018; and

DIRECTORS' REPORT

Review of Operations (continued)

- The pre-feasibility study into the sales of waste products from Winchester, which was originally reported to the market on 5 April 2019.

These updates will be completed after all new geophysical data referred to above has been acquired, analysed and incorporated into the detailed geological and topographical model of the Rum Jungle Project.

During and following the end of the reporting period Korab continued discussions with various overseas potential financiers regarding the development of the Winchester magnesium deposit, potential buyers and representatives of potential buyers of magnesium metal, magnesium carbonate rock (DSO) and of various magnesium oxides.

On 20 November 2024, Korab reported that the Exploration Licence EL29550 has been renewed until 31 July 2026 and is eligible for further renewals.

On 16 December 2024 Korab reported that Mineral Leases MLN512, MLN513, MLN514, MLN515, MLN542 and MLN543 have been renewed until 31 December 2033 and are eligible for further renewals.

Bobrikovo Project (Luhansk District, Ukraine)

During the quarter the Company conducted discussions with potential buyers of the Ukrainian subsidiary of Korab with the aim of disposing of this asset to concentrate on the Rum Jungle Project.

Mt. Elephant Project (Ashburton Mineral Field, Western Australia)

On 6 November 2024 Korab announced that it has withdrawn two exploration licence applications ELA08/3561 and ELA52/4223 located at the Mt. Elephant Project.

During the reporting period the Company commenced discussions with potential buyer of Korab's remaining interest in the Mt. Elephant project with the aim of disposing of this asset to concentrate on the Rum Jungle Project. Korab's remaining interest in the Mt. Elephant Project is Korab's right to acquire from Rheingold Investments Corporation Pty Ltd (a company controlled by Korab's Executive Chairman) exploration licence E08/3560 should this exploration licence be granted (as reported to the ASX on 27 February 2024 in a report titled "PROPOSED TENEMENT TRANSFER").

Corporate

The Group reported a consolidated loss after taxation for the period of \$436,409 (2023: loss of \$311,869), primarily relating to corporate compliance and administration costs of \$331,528 (2023: \$306,239).

In December 2024, Australian Copper Holdings Pty Ltd (ACH), a subsidiary of Australian Copper Pty Ltd, which in turn is a subsidiary of Korab, withdrew an appeal in the Supreme Court, Court of Appeal in the matter against Mining Resource Development Corporation Pty Ltd (MRDC). The parties reached a settlement regarding the costs of this matter subsequent to the end of the reporting period. The Company made provisions in the Interim Financial Report for the half year ended 31 December 2024 for the full cost of the settlement.

Events subsequent to the end of the reporting period

On 29 January 2024 Korab announced that it had received a letter from ASX stating that in ASX's opinion the Company does not comply with Listing Rule 12.1 (KOR's operations are not sufficient to warrant the continued quotation of its securities). ASX afforded KOR a period of 6 months from the date of the letter to demonstrate to ASX that it is compliant with Listing Rule 12.1. KOR did not do this and ASX suspended KOR's securities from official quotation, and they remain suspended at the date of this Interim Financial Report. If the Company does not execute its plans for trading in its securities to resume, to ASX's satisfaction, by 29 July 2026 it will be removed from the Official List of ASX.

On 15 August 2024, Geolsec Phosphate Operations Pty Ltd (wholly owned subsidiary of Korab Resources Ltd) entered into an agreement to sell the Geolsec Project for 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. On 11 December 2024, the sale agreement was extended to 31 March 2025. On 28 May 2025, Geolsec extended the settlement of the sale to 30 November 2025 and the sale consideration was amended to \$4.35 Million and a royalty of 15% of Net Smelter Royalty on all minerals other than uranium and thorium and a royalty of 1.5% of Net Smelter Royalty on uranium and thorium. The sale of the Geolsec Project has not been settled as yet and is subject to the Foreign Investment Review Board approval. Geolsec is currently negotiating further changes to the Geolsec sale agreement. These changes do not affect the amount of consideration or royalties.

DIRECTORS' REPORT**Events subsequent to the end of the reporting period (continued)**

On 9 April 2025 the Company's wholly owned subsidiary Lugansk Gold Pty Ltd (LUG) sold its Ukrainian subsidiary Limited Liability Company "Donetsky Kryazh" (DKL) to an unrelated entity, Limited Liability Company "IRTIS" (the Buyer). DKL holds the Bobrikovo gold and silver project located in the Donbass region of eastern Ukraine (Bobrikovo Project). All costs relating to the Bobrikovo gold and silver project have been fully impaired in prior years.

The consideration for the transaction is as follows:

1. a cash amount totalling A\$51,000, which has been paid;
2. a royalty of US\$100 per ounce of gold produced from Bobrikovo Project by DKL or its appointed partners, agents or contractors following Completion and US\$1 per ounce of silver produced from Bobrikovo Project by DKL or its appointed partners, agents, or contractors following Completion. This royalty will apply to gold and silver produced in any form: as pure gold bars, pure silver bars, gold and silver bars, gold contained in dore bars, silver contained in dore bars, gold and silver contained in dore bars, gold contained in concentrate, silver contained in concentrate, gold and silver contained in concentrate or contained in sold ore extracted from Bobrikovo Project.
3. A bonus payment calculated as follows:
 - (a) in the event that Buyer sells or otherwise disposes of any of the Assets for a consideration greater than that received by LUG pursuant to the sale agreement, LUG will be legally entitled to receive 30% of the difference between consideration received by Buyer as a result of such sale or disposal of any of the Assets and consideration received by LUG pursuant to the sale agreement.
 - (b) in the event that DKL or Buyer receive any monetary compensation or award for the loss of the Project or loss of access to the Project or loss of DKL's ability to develop the Project (Compensation) LUG will be legally entitled to receive 30% of such Compensation.

Korab intends to use the proceeds from this transaction to retire debt, for working capital purposes, and for exploration and development work on Rum Jungle Project.

On 28 May 2025 the Company referred to the "Response to ASX Query Letter" dated 21 February 2024 (the Letter). The Letter referred to the claim against Mining Resource Development Corporation Pty Ltd (MRDC) by Australian Copper Holdings Pty Ltd (ACH), a wholly owned subsidiary of Korab, and ACH's appeal against the District Court Judge's decision to uphold MRDC's appeal against dismissal of MRDC's application for summary judgement. Korab advised that ACH had withdrawn its appeal against the District Court Judge's decision to uphold MRDC's appeal against dismissal of MRDC's application for summary judgement and has paid \$67,500 in settlement of MRDC's costs of defending the claim and the costs of subsequent appeals. Korab Group has no further liabilities in regards to this case or appeals. \$67,500 has been fully recognised at 31 December 2024. Of this amount, \$47,500 was recognised as provisions for legal fees, and \$20,000 has been moved from prepayments to legal expenses and expensed.

On 4 July 2025 the Company referred to the ASX report dated 16 December 2024 titled "RENEWAL OF MINERAL LEASES MLN512 MLN515 MLN542 AND MLN543 AT RUM JUNGLE PROJECT" where Korab advised that that Mineral Leases MLN512, MLN513, MLN514, MLN515, MLN542 and MLN543 (the Tenements) have been renewed until 31 December 2033 and are eligible for further renewals. Korab would like to advise that the landowner of the land parcels underlying the Tenements, Vinnie Nominees Pty Ltd as trustee for Finocchiaro Family Trust (Vinnie Nominees), had requested a judicial review of the decision to renew Mineral Leases MLN542 and MLN543 (the Renewal Decision) made by the Delegate of the Minister for Mining and Energy (the Delegate). Mineral Leases MLN542 and MLN543 cover the Sundance Gold Mine located near Batchelor in the Northern Territory.

Korab agreed to take a non-active role in the judicial review of the Renewal Decision (the Proceeding) and consented to any orders the Supreme Court deems appropriate, except for any order regarding costs. Following consultation, the parties who were taking active role in the Proceeding (Vinnie Nominees and the Department of Mines and Energy) agreed that there was a proper basis for concluding that the legal validity of the Renewal Decision was impaired by an apprehension of bias. The reasons for this conclusion were as follows: In June 2024, the sole director and company secretary of Vinnie Nominees, Ross Finocchiaro was charged with interfering with Korab's authorised activities at Mineral Leases MLN542, MLN543. The complainant in this proceeding is the Delegate.

DIRECTORS' REPORT**Events subsequent to the end of the reporting period (continued)**

This criminal proceeding against Ross Finocchiaro is ongoing. In December 2024, while the criminal proceeding against Ross Finocchiaro was on foot, the Delegate decided to renew the Mineral Leases MLN542 and MLN543. As a consequence of the above circumstances, the person who decided to renew the Mineral Leases MLN542 and MLN543 is the same person who is a complainant in a criminal proceeding against Ross Finocchiaro relating to the Mineral Leases MLN542 and MLN543.

Following a submission made by the parties who were taking active role in the Proceeding, the Supreme Court has issued an order to quash the Renewal Decision (decision to renew Mineral Leases MLN542 and MLN543) on the basis of a reasonable apprehension of bias. As a result of this Supreme Court order, the applications for renewal of Mineral Leases MLN542 and MLN543 have been sent back to the Department of Mines and Energy for assessment by a person who has not had any personal involvement in the criminal proceeding against Ross Finocchiaro. Korab will advise the market of the results of the assessment of Korab's applications for renewal of Mineral Leases MLN542 and MLN543 once the Department of Mines and Energy makes its determination.

On 30 July 2025 the Company advised that Exploration Licence EL34148 (the Tenement) has been granted as a replacement title for tenements EL29550 and EL31341. The new tenement expires on 23 July 2027 and is eligible for renewals. EL34148 covers over 237 square kilometres and forms part of the Rum Jungle Project located some 70km south of Darwin (NT), near the regional town of Batchelor. Rum Jungle Project now comprises exploration licence EL34148 held by Korab, seven mineral leases held by Korab Group (ML30587, MLN512, MLN513, MLN514, MLN515, MLN542 and MLN543), and one mineral lease which is subject of the sale agreement with unrelated party Leka II Shipping Limited (ML27362) and which is held by Geolsec phosphate Operations Pty Ltd (a wholly owned subsidiary of Korab). Rum Jungle Project covers an area of approximately 240 square kilometres of the highly prospective Pine Creek Orogen (PCO).

Between 1 January 2025 and 10 March 2026 the Group received \$191,000 from Polymetallica, providing further cash flow to the Group. This has been used for working capital purposes, and for exploration activities.

On 22 October 2025 Company received \$100,000 as consideration for a 2% royalty on gold produced from the area covered by the Mineral Leases MLN542 and MLN543. The Company intends to sell up to 10% royalty on gold produced from the area covered by the Mineral Leases MLN542 and MLN543 for \$500,000 in aggregate. The royalty sale is subject to shareholder approval if ASX determines that such approval is required. The proceeds will be used for development of gold assets located within the area covered by the Mineral Leases MLN542 and MLN543 and for working capital.

No other matter or circumstance has arisen since 31 December 2024 that in the opinion of the directors has significantly affected, or may significantly affect in future financial years, the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs.

Auditor's Independence Declaration

Section 307C of the *Corporations Act 2001* requires our auditors, Armada Audit and Assurance Pty Ltd, to provide the directors of the Company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 17 and forms part of this directors' report for the half-year ended 31 December 2024.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s306(3)(a) of the *Corporations Act 2001*.



.....
Andrej K. Karpinski
Executive Chairman

13 March 2026

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF**

KORAB RESOURCES LIMITED

I declare that, to the best of my knowledge and belief, during the review for the half year ended 31 December 2024 there have been:

- i) No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii) No contraventions of any applicable code of professional conduct in relation to the audit.

*Armada Audit
& Assurance*

ARMADA AUDIT & ASSURANCE PTY LTD



**Nigel Dias
Director
Perth, 13 March 2026**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

		Consolidated	
	Notes	31 December 2024 \$	31 December 2023 \$
Revenue	2	6,378	36,500
Finance income		55,687	54,953
Foreign exchange (loss) / gain		(8,223)	3,393
Finance expense		(266,511)	(206,766)
Corporate compliance and administration		(331,528)	(306,239)
Occupancy costs		(17,621)	(17,691)
Contractor expenses capitalised		125,409	124,230
Conference, travel and public relations		-	(249)
Loss before income tax		(436,409)	(311,869)
Income tax expense		-	-
Loss for the half-year		(436,409)	(311,869)
Other comprehensive income for the half-year net of income tax			
<i>Items that may be reclassified to profit or loss</i>		-	-
Total comprehensive loss for the half-year		(436,409)	(311,869)
Basic and diluted loss per share (cents per share)	11	(0.12)	(0.08)

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes to the financial statements.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024**

	Notes	31 December 2024 \$	30 June 2024 \$
Current assets			
Cash and cash equivalents		106,677	93,351
Trade receivables and other financial assets		155,725	15,905
Prepayments		-	108,802
Total Current Assets (excluding asset held for sale)		<u>262,402</u>	<u>218,058</u>
Asset held for sale	14	392,687	-
Total current assets		<u>655,089</u>	<u>218,058</u>
Non-current assets			
Trade receivables and other financial assets	13	1,189,384	1,305,971
Exploration and evaluation	3	2,978,875	3,161,547
Total non-current assets		<u>4,168,259</u>	<u>4,467,518</u>
Total assets		<u>4,823,348</u>	<u>4,685,576</u>
Current liabilities			
Trade and other payables		302,366	242,107
Loans and borrowings	9	-	35,150
Total current liabilities		<u>302,366</u>	<u>277,257</u>
Non-current liabilities			
Loans and borrowings	9	4,801,695	4,252,623
Total non-current liabilities		<u>4,801,695</u>	<u>4,252,623</u>
Total liabilities		<u>5,104,061</u>	<u>4,529,880</u>
Net (liabilities) / assets		<u>(280,713)</u>	<u>155,696</u>
Equity			
Contributed equity	4	21,186,134	21,186,134
Foreign currency translation reserve		(997,078)	(997,078)
Non-controlling interest contribution reserve		(1,036,227)	(1,036,227)
Accumulated losses		(19,433,542)	(18,997,133)
Total (deficit) / equity		<u>(280,713)</u>	<u>155,696</u>

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes to the financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

Consolidated	Contributed Equity	Foreign Currency Translation Reserve	Non- controlling Interest Contribution Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$
Balance at 1 July 2023	21,186,134	(997,078)	(1,036,227)	(18,065,037)	1,087,792
Loss for the period	-	-	-	(311,869)	(311,869)
Total comprehensive loss for the period	-	-	-	(311,869)	(311,869)
<i>Transactions with owners in their capacity as owners:</i>	-	-	-	-	-
Balance at 31 December 2023	21,186,134	(997,078)	(1,036,227)	(18,376,906)	775,923
Balance at 1 July 2024	21,186,134	(997,078)	(1,036,227)	(18,997,133)	155,696
Loss for the period	-	-	-	(436,409)	(436,409)
Total comprehensive loss for the period	-	-	-	(436,409)	(436,409)
<i>Transactions with owners in their capacity as owners:</i>	-	-	-	-	-
Balance at 31 December 2024	21,186,134	(997,078)	(1,036,227)	(19,433,542)	(280,713)

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes to the financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

	Consolidated	
	31 December 2024	31 December 2023
	\$	\$
Cash flows from operating activities		
Revenue	6,378	36,500
Payments to suppliers and employees	(88,075)	(110,868)
Interest received (net of interest paid)	29,280	13,607
Net cash outflows from operating activities	<u>(52,417)</u>	<u>(60,761)</u>
Cash flows from investing activities		
Exploration and evaluation expenditure	(35,063)	(60,956)
Refund of prepayments	56,720	-
Deposit received for sale of subsidiary	6,100	-
Net cash inflows from investing activities	<u>27,757</u>	<u>(60,956)</u>
Cash flows from financing activities		
Proceeds from borrowings	243,150	200,000
Repayment of borrowings	(205,164)	(127,111)
Net cash inflows from financing activities	<u>37,986</u>	<u>72,889</u>
Net increase / (decrease) in cash and cash equivalents	13,326	(48,828)
Cash and cash equivalents at the beginning of the half- year	<u>93,351</u>	<u>112,382</u>
Cash and cash equivalents at the end of the half-year	<u>106,677</u>	<u>63,554</u>

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024****NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES****Statement of compliance**

These interim consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the *Corporations Act 2001*, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

This interim report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the annual financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2024 and any public announcements made by Korab Resources Limited and its subsidiaries ("consolidated entity" or "Group") during or since the end of the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001* and the ASX Listing Rules.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Basis of preparation

The interim report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

Significant accounting judgments and key estimates

The preparation of interim financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2024.

Going concern

The financial report has been prepared on the basis of accounting principles applicable to a going concern, which assumes the commercial realisation of the future potential of the Group's assets and the discharge of its liabilities in the normal course of business. At balance date, the Group had a surplus of current assets over current liabilities of \$352,723 (30 June 2024: deficit of \$59,199) and net cash outflows from operations for the period of \$52,417 (31 December 2023: outflows of \$60,761). The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

On 29 January 2024 Korab announced that it had received a letter from ASX stating that in ASX's opinion the Company does not comply with Listing Rule 12.1 (KOR's operations are not sufficient to warrant the continued quotation of its securities). ASX afforded KOR a period of 6 months from the date of the letter to demonstrate to ASX that it is compliant with Listing Rule 12.1. KOR did not do this and ASX suspended KOR's securities from official quotation, and they remain suspended at the date of this Interim Financial Report. If the Company does not execute its plans for trading in its securities to resume, to ASX's satisfaction, by 29 July 2026 it will be removed from the Official List of ASX.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024****NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Going concern (continued)**

On 15 August 2024, Geolsec Phosphate Operations Pty Ltd (wholly owned subsidiary of Korab Resources Ltd entered into an agreement to sell the Geolsec Project for 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. On 11 December 2024, the sale agreement was extended to 31 March 2025. On 28 May 2025, Geolsec extended the settlement of the sale to 30 November 2025 and the sale consideration was amended to \$4.35 Million and a royalty of 15% of Net Smelter Royalty on all minerals other than uranium and thorium and a royalty of 1.5% of Net Smelter Royalty on uranium and thorium. The sale of the Geolsec Project has not been settled as yet and is subject to the Foreign Investment Review Board approval. Geolsec is currently negotiating further changes to the Geolsec sale agreement. These changes do not affect the amount of consideration or royalties. Korab intends to use the proceeds from this transaction to retire debt, for working capital purposes, and for exploration and development work on Rum Jungle Project.

Between 1 January 2025 and 10 March 2026 the Group received \$191,000 from Polymetallica, providing further cash flow to the Group. This has been used for working capital purposes, and for exploration activities.

On 9 April 2025 Company reported that it has sold its subsidiary Limited Liability Company "Donetsky Kryazh" (DKL) to an unrelated entity, Limited Liability Company "IRTIS" for \$51,000 providing further cash flow to the Group. This has been used for working capital purposes, and for exploration activities. DKL holds Bobrikovo gold and silver project located in eastern Ukraine.

On 22 October 2025 Company received \$100,000 as consideration for a 2% royalty on gold produced from the area covered by the Mineral Leases MLN542 and MLN543. The Company intends to sell up to 10% royalty on gold produced from the area covered by the Mineral Leases MLN542 and MLN543 for \$500,000 in aggregate. The royalty sale is subject to shareholder approval if ASX determines that such approval is required. The proceeds will be used for development of gold assets located within the area covered by the Mineral Leases MLN542 and MLN543 and for working capital.

The Company has received written confirmations from its lenders that the loans of \$4,146,972 will not be called for repayment until at least 31 March 2027. These loans can be repaid early at Company's discretion without penalties if there is a surplus cash to do so. The loan from unrelated party of \$654,713 is payable on 12 October 2026. Furthermore, the Company will need to seek additional funding either via an increase in debt or raising of additional share capital, sale of gold royalties' rights, and to reduce its discretionary costs in the coming year in order to meet its operating expenditure and planned exploration expenditure for the next twelve months from the date of signing these financial statements. The directors are confident of being able to obtain additional funding through increase in debt, raising of additional share capital (see above disclosure regarding the Company's compliance with Listing Rule 12.1), reducing discretionary costs, and sale of assets such as the sale of Geolsec Project and sale of gold royalties referred to above. Should this not occur, or not occur on a sufficiently timely basis, there is a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business

Significant accounting policies

The half-year condensed consolidated financial statements have been prepared using the same accounting policies as used in the annual financial statements for the year ended 30 June 2024 other than noted below.

Standards and Interpretations applicable to 31 December 2024

In the period ended 31 December 2024, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current reporting periods beginning on or after 1 July 2024. The Directors have determined that there is no material impact of the other new and revised Standards and Interpretations on the Group and therefore, no material change is necessary to group accounting policies.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the half-year ended 31 December 2024. As a result of this review the Directors have determined that there is no material impact, of the new and revised Standards and Interpretations on the Group and, therefore, no change is necessary to group accounting policies.

NOTE 2: REVENUE

	Consolidated	
	6 months ended 31 December 2024 (\$)	6 months ended 31 December 2023 (\$)
Other income	6,378	36,500
	6,378	36,500

NOTE 3: EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	6 months ended 31 December 2024 (\$)	12 months ended 30 June 2024 (\$)
<i>Areas of interest in the exploration and evaluation phase:</i>		
Cost at beginning of the period	4,607,275	4,297,951
Capitalised contractors' expenses	125,409	239,595
Other expenditure capitalised during the period	84,606	69,729
Cost at end of the period	4,817,290	4,607,275
Impairment provision	(1,445,728)	(1,445,728)
Transfer to Asset Held for Sale (See Note 14)	(392,687)	-
Carrying amount at the end of the period	2,978,875	3,161,547

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or sale of the respective areas.

The Directors are of the opinion that whilst the tenure of the Bobrikovo project is not affected by the current political developments in Ukraine, the uncertainty as to the future direction of the developments there makes it prudent to be conservative. The exploration and evaluation expenditure attributable to the Bobrikovo project has been written-off at consolidation level in earlier reporting periods to reflect this conservative approach.

On 9 April 2025 the Company's wholly owned subsidiary Lugansk Gold Pty Ltd (LUG) sold its Ukrainian subsidiary Limited Liability Company "Donetsky Kryazh" (DKL) to an unrelated entity, Limited Liability Company "IRTIS" (the Buyer). DKL holds the Bobrikovo gold and silver project located in the Donbass region of eastern Ukraine (Bobrikovo Project).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

NOTE 4: CONTRIBUTED EQUITY

	Consolidated			
	6 months ended 31 December 2024		12 months ended 30 June 2024	
	Number	\$	Number	\$
<i>Movements in ordinary shares on issue</i>				
Balance at beginning of period	367,050,000	21,186,134	367,050,000	21,186,134
Issue of shares for cash	-	-	-	-
Share issue costs	-	-	-	-
Balance at end of period	367,050,000	21,186,134	367,050,000	21,186,134

NOTE 5: CONTINGENT ASSETS AND LIABILITIES

On 27 February 2024, the Company reported that its subsidiaries Australian Coper Pty Ltd and Australian Copper Holdings Pty Ltd are objecting in the Wardens court to a purported application by Ashcroft Resources Pty Ltd for exploration licence E08/3315 (the Proceedings). In the same report, the Company advised that it proposes to acquire from a related party, Rheingold Investments Corporation Pty Ltd (Rheingold), a company controlled by the Company's Executive Chairman Andrej K. Karpinski exploration licence E08/3560 should the above objection be successful and the exploration licence E08/3560 be granted. Application for E08/3560 and purported application E08/3315 cover broadly same ground. The proposed acquisition is subject to shareholder approval should it be required by ASX. If the Company acquires exploration licence E08/3560, it will reimburse Rheingold for its reasonable out of pocket expenses incurred in the process of applying for the E08/3560 and progressing it to grant. On 6 March 2024, the Company reported that the Warden adjourned the Proceedings for mention hearing on 6 May 2024, with no orders to cost. The Proceedings have been further adjourned by the Warden for mention hearing on 20 December 2024. The proceedings have been further adjourned multiple times. Subsequent to the end of the reporting period, an unrelated third party assumed responsibility for conducting the Proceedings and for funding of the legal and incidental costs of the objection.

In the opinion of the directors there were no other contingent assets or liabilities that existed as at 31 December 2024 or 31 December 2023.

NOTE 6: SEGMENT REPORTING

AASB 8 Operating Segments requires operating segments to be identified on the basis of internal reports about components of the consolidated entity that are reviewed by the chief operating decision maker in order to allocate resources to the segment and assess its performance. The Executive Chairman of Korab reviews internal reports prepared such as consolidated financial statements, and strategic decisions of the consolidated entity are determined upon analysis of these internal reports. During the year the consolidated entity operated predominantly in one business segment, being the minerals exploration sector. Accordingly, under the "management approach" outlined only one operating segment has been identified and no further disclosure is required in the notes to the consolidated financial statements. All non-current assets, revenue and finance income for the current and prior period have a geographical location in Australia.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024****NOTE 7: EVENTS SUBSEQUENT TO REPORTING DATE**

On 29 January 2024 Korab announced that it had received a letter from ASX stating that in ASX's opinion the Company does not comply with Listing Rule 12.1 (KOR's operations are not sufficient to warrant the continued quotation of its securities). ASX afforded KOR a period of 6 months from the date of the letter to demonstrate to ASX that it is compliant with Listing Rule 12.1. KOR did not do this and ASX suspended KOR's securities from official quotation, and they remain suspended at the date of this Interim Financial Report. If the Company does not execute its plans for trading in its securities to resume, to ASX's satisfaction, by 29 July 2026 it will be removed from the Official List of ASX.

On 9 April 2025 the Company's wholly owned subsidiary Lugansk Gold Pty Ltd (LUG) sold its Ukrainian subsidiary Limited Liability Company "Donetsky Kryazh" (DKL) to an unrelated entity, Limited Liability Company "IRTIS" (the Buyer). DKL holds the Bobrikovo gold and silver project located in the Donbass region of eastern Ukraine (Bobrikovo Project).

The consideration for the transaction is as follows:

1. a cash amount totalling A\$51,000, which has been paid;
2. a royalty of US\$100 per ounce of gold produced from Bobrikovo Project by DKL or its appointed partners, agents or contractors following Completion and US\$1 per ounce of silver produced from Bobrikovo Project by DKL or its appointed partners, agents, or contractors following Completion. This royalty will apply to gold and silver produced in any form: as pure gold bars, pure silver bars, gold and silver bars, gold contained in dore bars, silver contained in dore bars, gold and silver contained in dore bars, gold contained in concentrate, silver contained in concentrate, gold and silver contained in concentrate or contained in sold ore extracted from Bobrikovo Project.
3. 3. A bonus payment calculated as follows:
 - (a) in the event that Buyer sells or otherwise disposes of any of the Assets for a consideration greater than that received by LUG pursuant to the sale agreement, LUG will be legally entitled to receive 30% of the difference between consideration received by Buyer as a result of such sale or disposal of any of the Assets and consideration received by LUG pursuant to the sale agreement.
 - (b) in the event that DKL or Buyer receive any monetary compensation or award for the loss of the Project or loss of access to the Project or loss of DKL's ability to develop the Project (Compensation) LUG will be legally entitled to receive 30% of such Compensation.

Korab intends to use the proceeds from this transaction to retire debt, for working capital purposes, and for exploration and development work on Rum Jungle Project.

On 28 May 2025 the Company referred to the "Response to ASX Query Letter" dated 21 February 2024 (the Letter). The Letter referred to the claim against Mining Resource Development Corporation Pty Ltd (MRDC) by Australian Copper Holdings Pty Ltd (ACH), a wholly owned subsidiary of Korab, and ACH's appeal against the District Court Judge's decision to uphold MRDC's appeal against dismissal of MRDC's application for summary judgement. Korab advised that ACH had withdrawn its appeal against the District Court Judge's decision to uphold MRDC's appeal against dismissal of MRDC's application for summary judgement and has paid \$67,500 in settlement of MRDC's costs of defending the claim and the costs of subsequent appeals. Korab Group has no further liabilities in regards to this case or appeals. \$67,500 was been recorded in the 31 December 2024 financial report. \$20,000 was recorded as expensed prepayments of legal costs and \$47,500 was recorded as provisions for legal costs.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024****NOTE 7: EVENTS SUBSEQUENT TO REPORTING DATE (continued)**

On 4 July 2025 the Company referred to the ASX report dated 16 December 2024 titled "RENEWAL OF MINERAL LEASES MLN512 MLN515 MLN542 AND MLN543 AT RUM JUNGLE PROJECT" where Korab advised that that Mineral Leases MLN512, MLN513, MLN514, MLN515, MLN542 and MLN543 (the Tenements) have been renewed until 31 December 2033 and are eligible for further renewals. Korab would like to advise that the landowner of the land parcels underlying the Tenements, Vinnie Nominees Pty Ltd as trustee for Finocchiaro Family Trust (Vinnie Nominees), had requested a judicial review of the decision to renew Mineral Leases MLN542 and MLN543 (the Renewal Decision) made by the Delegate of the Minister for Mining and Energy (the Delegate). Mineral Leases MLN542 and MLN543 cover the Sundance Gold Mine located near Batchelor in the Northern Territory. Korab agreed to take a non-active role in the judicial review of the Renewal Decision (the Proceeding) and consented to any orders the Supreme Court deems appropriate, except for any order regarding costs. Following consultation, the parties who were taking active role in the Proceeding (Vinnie Nominees and the Department of Mines and Energy) agreed that there was a proper basis for concluding that the legal validity of the Renewal Decision was impaired by an apprehension of bias. The reasons for this conclusion were as follows: In June 2024, the sole director and company secretary of Vinnie Nominees, Ross Finocchiaro was charged with interfering with Korab's authorised activities at Mineral Leases MLN542, MLN543. The complainant in this proceeding is the Delegate. This criminal proceeding against Ross Finocchiaro is ongoing. In December 2024, while the criminal proceeding against Ross Finocchiaro was on foot, the Delegate decided to renew the Mineral Leases MLN542 and MLN543. As a consequence of the above circumstances, the person who decided to renew the Mineral Leases MLN542 and MLN543 is the same person who is a complainant in a criminal proceeding against Ross Finocchiaro relating to the Mineral Leases MLN542 and MLN543. Following a submission made by the parties who were taking active role in the Proceeding, the Supreme Court has issued an order to quash the Renewal Decision (decision to renew Mineral Leases MLN542 and MLN543) on the basis of a reasonable apprehension of bias. As a result of this Supreme Court order, the applications for renewal of Mineral Leases MLN542 and MLN543 have been sent back to the Department of Mines and Energy for assessment by a person who has not had any personal involvement in the criminal proceeding against Ross Finocchiaro. Korab will advise the market of the results of the assessment of Korab's applications for renewal of Mineral Leases MLN542 and MLN543 once the Department of Mines and Energy makes its determination.

On 30 July 2025 the Company advised that Exploration Licence EL34148 (the Tenement) has been granted as a replacement title for tenements EL29550 and EL31341. The new tenement expires on 23 July 2027 and is eligible for renewals. EL34148 covers over 237 square kilometres and forms part of the Rum Jungle Project located some 70km south of Darwin (NT), near the regional town of Batchelor. Rum Jungle Project now comprises exploration licence EL34148 held by Korab, seven mineral leases held by Korab Group (ML30587, MLN512, MLN513, MLN514, MLN515, MLN542 and MLN543), and one mineral lease which is subject of the sale agreement with unrelated party Leka II Shipping Limited (ML27362) and which is held by Geolsec phosphate Operations Pty Ltd (a wholly owned subsidiary of Korab). Rum Jungle Project covers an area of approximately 240 square kilometres of the highly prospective Pine Creek Orogen (PCO).

During the reporting period, on 15 August 2024, Geolsec Phosphate Operations Pty Ltd (wholly owned subsidiary of Korab Resources Ltd) entered into an agreement to sell the Geolsec Project for 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. On 11 December 2024, the sale agreement was extended to 31 March 2025. Subsequent to the end of the reporting period, on 28 May 2025, Geolsec extended the settlement of the sale to 30 November 2025 and the sale consideration was amended to \$4.35 Million and a royalty of 15% of Net Smelter Royalty on all minerals other than uranium and thorium and a royalty of 1.5% of Net Smelter Royalty on uranium and thorium. The sale of the Geolsec Project has not been settled as yet and is subject to the Foreign Investment Review Board approval. Geolsec is currently negotiating further changes to the Geolsec sale agreement. These changes do not affect the amount of consideration or royalties. Korab intends to use the proceeds from this transaction to retire debt, for working capital purposes, and for exploration and development work on Rum Jungle Project.

Between 1 January 2025 and 10 March 2026 the Group received \$191,000 in interest owing from Polymetallica, providing further cash flow to the Group. This has been used for working capital purposes, and for exploration activities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

NOTE 7: EVENTS SUBSEQUENT TO REPORTING DATE (continued)

On 22 October 2025 Company received \$100,000 as consideration for a 2% royalty on gold produced from the area covered by the Mineral Leases MLN542 and MLN543. The Company intends to sell up to 10% royalty on gold produced from the area covered by the Mineral Leases MLN542 and MLN543 for \$500,000 in aggregate. The unused amount as at the date of this report is \$400,000. The royalty sale is subject to shareholder approval if ASX determines that such approval is required. The proceeds will be used for development of gold assets located within the area covered by the Mineral Leases MLN542 and MLN543 and for working capital.

No other matter or circumstance has arisen since 31 December 2024 that in the opinion of the directors has significantly affected, or may significantly affect in future financial years, the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs.

NOTE 8: FINANCIAL INSTRUMENTS

The method and valuation techniques used for the purpose of measuring fair value are unchanged compared to previous reporting period. The carrying value of financial assets and financial liabilities are considered to be a reasonable approximation of their fair value.

NOTE 9: LOANS AND BORROWINGS

	31 December 2024 \$	30 June 2024 \$
<i>Current</i>		
Loans payable - related parties – unsecured (i)(ii)	-	35,150
	-	35,150
<i>Non-current</i>		
Loans payable - related parties – unsecured (i)(iii)	2,028,314	1,871,670
Loans payable - third parties – unsecured (iii)	2,773,381	2,380,953
	4,801,695	4,252,623

- (i) The terms and conditions of related party loans and borrowings are set out in Note 10, Related Party Transactions.
- (ii) The loans and borrowings are on arms-length terms and accrue interest at 12% per annum
- (iii) These loans and borrowings accrue interest at 12% per annum, are on arms-length terms, and are not payable prior to 31 March 2027, other than the loan from unrelated third party in the amount of \$654,713.04 which is payable on 12 October 2026.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

NOTE 10: RELATED PARTY TRANSACTIONS

Korab Resources Limited is the ultimate parent entity. Mr Andrej Karpinski is a director and controlling shareholder of Rheingold Investments Corporation Pty Ltd ("Rheingold"). Mrs Alicja Karpinski is a director and a shareholder of Rheingold. Management contract fees form part of the remuneration of directors and have been disclosed below.

	6 mths to Dec 2024	6 mths to Dec 2023
	\$	\$
Fees to Rheingold Investments Corporation Pty Ltd for:		
- Management contract fees (accrued and converted to loans)	179,850	179,850
Total fees to Rheingold Investments Corporation Pty Ltd	<u>179,850</u>	<u>179,850</u>
Anthony Wills		
Non-executive directors' fees accrued and converted to loans	11,050	11,050
Non-executive directors' fees paid and payable	<u>11,050</u>	<u>11,050</u>
	31 Dec 2024 \$	30 June 2024 \$
Loans owing to Rheingold Investments Corporation Pty Ltd	1,533,813	1,424,715
Loans owing to Anthony Wills	350,019	319,476
Outstanding liabilities to Alicja Karpinski	144,482	127,479
Total related party debt	<u>2,028,314</u>	<u>1,871,670</u>

During a prior period, the Directors and Rheingold agreed to suspend payments of the executive services fees (management contract fees) and directors' fees. The unpaid fees are being accrued.

The balance of outstanding liabilities to Rheingold, Mr. Karpinski, Mrs Karpinski and their related entities at period end for loans to the parent entity and unpaid fees is \$1,678,295 at an average interest rate of 12% (30 June 2024: \$1,552,194 at an average interest rate of 12%). The loans and unpaid fees are not payable prior to 13 March 2027. These loans and debt become payable immediately on change of control of Korab. To reduce Korab's operating costs, Mr. Karpinski and Mrs. Karpinski have waived their rights to receive directors' fees from Korab. Mr. Karpinski and Mrs. Karpinski do not receive directors' fees and have not received any directors' fees from Korab or its subsidiaries since the formation of Korab in March 1998 to the date of this report. In addition to corporate management services, Rheingold Investments Corporation Pty Ltd provides to the Company tenement management, mineral exploration, company secretarial, and accounting/bookkeeping services. The costs of these services are fully covered by and included in the Management contract fees paid to Rheingold.

During the reporting period accrued Rheingold management fees were converted to loans and some of the prior year loans and converted fees were repaid.

Interest accrued to Rheingold, Mr. Karpinski, Mrs. Karpinski and their related entities during the reporting period was \$94,741 (December 2023: \$72,566). The balance of outstanding liabilities to Rheingold, Mr. Karpinski, Mrs Karpinski and their related entities at period end for loans to the parent entity and unpaid fees includes a loan from Alicja Karpinski, which at period end had a balance of US\$88,661 (A\$144,482 at the applicable foreign exchange rate) (June 2024: US\$83,203 or A\$127,479 at the applicable foreign exchange rate), at an interest rate of 12%. The loan is not payable prior to 13 March 2027. This loan becomes payable immediately on change of control of Korab. Above interest accrued to Rheingold, Mr. Karpinski, Mrs. Karpinski and their related entities during the reporting period includes interest accrued to Mrs. Karpinski of \$8,780 (December 2023: \$7,081).

The balance of outstanding liabilities to director Mr. Wills at period end for loans to the parent entity and unpaid fees is \$350,019 (June 2024: \$319,476) at an average interest rate of 12%. Interest accrued to Mr. Wills for the period was \$19,493 (December 2023: \$16,118).

The amount within trade and other payables owed to Directors is \$26,281 (June 2024: \$23,291).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

NOTE 10: RELATED PARTY TRANSACTIONS (continued)

Mr Andrej Karpinski is a director and significant shareholder of Polymetallica Minerals Limited (formerly Uranium Australia Pty Ltd). The balance of outstanding receivables from Polymetallica Minerals Limited at period end is \$1,328,759 (June 2024: \$1,305,526) at an interest rate of 8.5%. The receivable is not payable prior to 13 March 2027. The balance of outstanding receivables from Polymetallica Minerals Limited consist of funds provided by Company to pay for tenement rents and other project related costs in relation to projects where the Company and Polymetallica have, or had joint venture arrangements, and/or production sharing agreements, plus any accrued interest. These joint venture arrangements and/or production sharing agreements were established when Polymetallica was a subsidiary of the Company prior to Polymetallica being demerged (spun-off) from the Company. The Company has a registered security over all current and future assets of Polymetallica until the debt is repaid in full. During the period Polymetallica paid the Company \$Nil (June 2024: \$Nil) in principal and \$32,150 (December 2023: \$13,230) in interest with the remaining interest of \$23,233 (December 2023: \$41,346) accruing. The total interest charged on the loan for the period ended 31 December 2024 was \$55,383 (December 2023: \$54,576). Subsequent to the 31 December 2024 and up to the date of this report Polymetallica paid to Korab \$191,000 in interest.

On 27 February 2024, the Company reported that its subsidiaries Australian Coper Pty Ltd and Australian Copper Holdings Pty Ltd are objecting in the Wardens court to a purported application by Ashcroft Resources Pty Ltd for exploration licence E08/3315 (the Proceedings). In the same report, the Company advised that it proposes to acquire from a related party, Rheingold Investments Corporation Pty Ltd (Rheingold), a company controlled by the Company's Executive Chairman Andrej K. Karpinski exploration licence E08/3560 should the above objection be successful and the exploration licence E08/3560 be granted. Application for E08/3560 and purported application E08/3315 cover broadly same ground. The proposed acquisition is subject to shareholder approval should it be required by ASX. If the Company acquires exploration licence E08/3560, it will reimburse Rheingold for its reasonable out of pocket expenses incurred in the process of applying for the E08/3560 and progressing it to grant. On 6 March 2024, the Company reported that the Warden adjourned the Proceedings for mention hearing on 6 May 2024, with no orders to cost. The Proceedings have been further adjourned by the Warden for mention hearing on 20 December 2024. Subsequent to the end of the reporting period the proceedings have been further adjourned multiple times. Subsequent to the end of the reporting period, an unrelated third party assumed responsibility for conducting the Proceedings and for funding of the legal and incidental costs of the objection.

Other than disclosed above there were no related party transactions during the period.

NOTE 11: BASIC AND DILUTED LOSS PER SHARE

	31 December 2024	31 December 2023
	\$	\$
Basic and diluted loss per share (cents)	(0.12)	(0.08)
Loss from operations attributable to ordinary equity holders of Korab used to calculate basic and diluted earnings per share	(436,409)	(311,869)
Weighted average number of shares outstanding during the period used to calculate basic and diluted earnings per share	367,050,000	367,050,000

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

NOTE 12: COMMITMENTS

Lease commitments

The office lease, which commenced on 11 August 2013, has not been extended and now continues on a month-by-month basis.

Mining tenements

	31 December 2024	31 December 2023
	\$	\$
Annual expenditure commitments to maintain current rights to tenure of mining tenements	80,000	162,000
	<u>80,000</u>	<u>162,000</u>

The consolidated entity has obligations to perform minimum exploration work and to meet annual payments in respect of rent and granted tenements. These obligations may be varied from time to time subject to approval and on this basis, they are expected to be fulfilled in the normal course of operations. The Company can also meet its expenditure obligations by seeking joint venture partners, or by causing other parties to expend funds on exploration or mining, or by way of sale of all or part of an interest in a tenement, or by allowing tenements to lapse. Expenditure requirements for applications pending approval are not included.

NOTE 13: TRADE RECEIVABLES AND OTHER FINANCIAL ASSETS

Current Trade Receivables and Other Financial Assets include a loan of \$151,270 to Polymetallica Minerals Ltd. Non-Current Trade Receivables and Other Financial Assets include a loan of \$1,177,489 to Polymetallica Minerals Ltd. Total amount of the loan to Polymetallica is \$1,328,759. Korab has a registered security over all present and future assets of Polymetallica (without exceptions) until such time as the loan is repaid in full. Polymetallica's assets include Gascoyne Project located in Western Australia which comprises three granted exploration licenses and one exploration licence application, and mineral rights to 90% of uranium and thorium within Korab's Rum Jungle Project located in the Northern Territory. The Directors assess that no impairment of this loan is required.

NOTE 14: ASSET HELD FOR SALE

On 15 August 2024, Geolsec Phosphate Operations Pty Ltd (wholly owned subsidiary of Korab Resources Ltd) entered into an agreement to sell the Geolsec Project for 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. On 11 December 2024, the sale agreement was extended to 31 March 2025. On 28 May 2025, Geolsec extended the settlement of the sale to 30 November 2025 and the sale consideration was amended to \$4.35 Million and a royalty of 15% of Net Smelter Royalty on all minerals other than uranium and thorium and a royalty of 1.5% of Net Smelter Royalty on uranium and thorium. The sale of the Geolsec Project has not been settled as yet and is subject to the Foreign Investment Review Board approval. Geolsec is currently negotiating further changes to the Geolsec sale agreement. These changes do not affect the amount of consideration or royalties. As such the amount capitalised of \$392,687 has been transferred to an asset held for sale.

DIRECTORS' DECLARATION

In the Directors' opinion:

1. the attached half-year financial statements and notes as set out on pages 18 to 31 comply with Accounting Standard *AASB 134: Interim Financial Reporting* and the *Corporations Act 2001*; and
2. the attached half-year financial statements and notes give a true and fair view of the Company's financial position as at 31 December 2024 and of its performance for the half year ended on that date; and
3. as disclosed in Note 1 to the financial report there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors made pursuant to section 303(5)(a) of the *Corporations Act 2001* and is signed for and on behalf of the Directors by:



.....
Andrej K. Karpinski
Executive Chairman

13 March 2026

Independent Auditor's Review Report to the Members of Korab Resources Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying Condensed Consolidated Half-Year Financial Report of Korab Resources Limited ("the Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2024, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies, other explanatory notes and the directors' declaration of the Group comprising the Company and the entities it controlled at half-year end from time to time during the half-year.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Condensed Consolidated Half-Year Financial Report of Korab Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) Giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- (b) Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*;

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibility for the Review of the Financial Report* section of our report. We are independent of the Group in accordance with the independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Group, would be in the same terms if given to the directors as at the time of this auditor's review report.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report which notes that the Group has reported a net current assets at 31 December 2024 of \$352,723 and net cash outflow from operating activities of \$(52,417), these factors along with other matters disclosed in Note 1 indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and therefore the Group may be unable to realize its assets and discharge its liabilities in the ordinary course of business and at the amounts disclosed in the half year financial report. Our review conclusion is not modified in respect of this matter.

Directors' Responsibility for the Half-Year Financial Report

The Directors of the Group are responsible for the preparation of the Condensed Consolidated Half-Year Financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the Condensed Consolidated Half-Year Financial report that gives a true and fair view is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Half-Year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Condensed Consolidated Half-Year Financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*. A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Nigel Dias Director, Dated 13 March 2026, Perth Western Australia.