

ASX/MEDIA RELEASE

ASX: ROL 28 May 2014



UPDATED MANGANESE SCOPING STUDY CONFIRMS POTENTIAL FOR EARLY START PRODUCTION ON ROMANG ISLAND

- Scoping Study confirms “*strong financial returns*” for manganese project:
 - CAPEX US\$8-10 million
 - Payback < 6 months
 - Gross revenue of US\$40m-\$60m
 - Based entirely on indicated mineral resources
- Independent Study conducted by Equant Resources Pty Ltd
- Full feasibility study underway – expected to be finalised by end 2014
- Metallurgical sampling work ongoing
- Drilling for mineral resources continues
- Scoping study identifies that manganese resource likely to increase with further exploration

Robust Resources Limited (‘Robust’ or ‘the Company’) is pleased to announce the results of a revised Scoping Study of the Romang Island Manganese (Mn) Project (“Scoping Study”, “the Study”). The Study was carried out by independent consultants Equant Resources Pty Ltd and was based on the indicated mineral resource estimate published by the Company on 13 and 14 May 2014.

The Study concluded “*the Romang Mn Project, despite being small-scale and short production life (2 years), is commercially attractive with strong financial returns and no fatal flaws*”. Other key findings of the Study are as follows:

CAPITAL COST	US\$8 – 10 million
OPERATING COST	US\$42 – \$50 per tonne of Mn product
PRODUCTION	200,000 t/a Mn Product for 2 years
Mn PRICE (>42% Mn)	US\$3.5 – 4.5 / mtu (20% discount to market)
GROSS MARGIN	US\$100 – \$140 / t Mn product US\$20 – \$28 million per year
PAYBACK	< 6 months
GROSS REVENUE	US\$40 – \$60 million

Table 1: Summary of Scoping Study Assumptions and Outcomes

Key opportunities identified in the Scoping Study are:

“Importantly, the current inferred manganese resource will likely be increased and / or converted to indicated resource classification by ongoing exploration and evaluation studies, thereby may extend the mine-life for >2 years and increase commercial returns. Further, additional high-

grade >40% manganese mineralisation is likely to be discovered by ongoing exploration, while the commercial potential for beneficiation of low-grade 10-30% manganese mineralisation warrants evaluation.”

The scoping study referred to in this report is based on low-level technical and economic assessments, and is insufficient to support estimation of ore reserves or to provide assurance of an economic development at this stage, or to provide certainty that the conclusions of the Scoping Study will be realised.

The key risks identified in the Study are environmental risks due to metal contamination (both at site and in customer applications) and political risks associated with restrictions on Mn ore export by Indonesian government laws and regulations. A complete copy of the Scoping Study is available at the Robust [website](#).

The revised Scoping Study results reaffirms the Company’s decision to proceed with a Feasibility Study of the Romang Manganese Project, which is scheduled for completion by the end of 2014. The estimated cost of the Feasibility Study is ~\$1.2M and will contain the following information:

- Diamond Drilling and Mineral Resource Estimate to Indicated or Measured Category
- Metallurgy and Ore Characterisation Tests
- Environment
- Mine, Processing and Production Plan
- Logistics and Transport Infrastructure
- Marketing
- Government Policies and Community Relations
- Commercial Evaluation
- Project Execution Plan.

Robust Managing Director, Gary Lewis said: “The economics of the manganese project on Romang Island are very favourable and our focus is to advance with this project so we can generate an early cash flow to help fund future development.

“We are actively advancing key elements of the project’s development which was further enhanced with the release of an updated mineral resource estimate two weeks ago, which confirmed 56% of the mineral resource now being in the indicated category.

“This revised Scoping Study and the production targets and financial forecasts within it are based entirely on Indicated mineral resources. The Study also identifies opportunities to further improve the economics of the project through more drilling which may bring some more of the inferred mineralisation into the indicated resource category.

”As well, the Study confirms that there is an opportunity from potential beneficiation of lower-grade Mn mineralisation which is currently not included in the mineral resource. This drilling is now underway and forms part of the Mn Project Feasibility Study which is expected to be completed by the end of 2014.”

PRODUCTION TARGET AND FINANCIAL FORECAST

The production target reported here is based on the material assumptions in Table 2:

CAPITAL COST	DESCRIPTION	VALUE US\$ Million
Equipment	Dozer /excavators / trucks etc, crushing & screening plant, water treatment plant/s, QC laboratory	5.5 to 6.5
Mobilisation & Construction (working capital)	Barging equipment, ~8km road, loading jetties x 2, camp, mine site & plant, water storage & treatment	2.5 to 3.5
TOTAL		8.0 to 10.0
OPERATING COST	DESCRIPTION	VALUE US\$/t Mn Product
Mining	Grade control, dozer ripping (if possible) with limited drill & blast, excavator & truck	4.00 to 6.00
Processing & QC/QA	Crushing & screening plant, production QA/QC	4.50 to 5.00
Truck Haulage & Loading	~8km mine to barge port stockpile	0.50 to 1.00
Barging	Tug, barges, floating crane or direct load containers	3.00 to 4.00
Shipping (SE. Asia or China)	Minimum 10,000 dwt & maximum 50,000 dwt	23.00 to 25.00
General & Office Admin	Salaries, Government Fees, Marketing etc	5.00 to 6.00
Contingency		2.00 to 3.00
TOTAL		\$42.00 to 50.00
REVENUE	DESCRIPTION (Production @ 200,000 tonne / year for 2 years)	VALUE US\$/t Million
Manganese Price >42% Mn	US\$3.50-4.50 / dmtu cif (~\$150-190/t @ 20% discount)	Negotiable
Gross Margin	~US\$100 /t to \$140/t Mn product	\$20M to \$28M / yr
Returns & Gross Revenue	Payback <6 months, NPV/IRR not applicable	~\$40-60 Million

Table 2: Material Assumptions and Inputs for Production Target and Financial Forecast

The estimated mineral resources underpinning the production target comprise entirely indicated resources, which have been prepared by a competent person in accordance with the requirements of the JORC (2012) Code (see Robust ASX release 13/05/2014 and 14/05/2014). The mineral resource statement follows in Table 3.

Deposit	Resource Category	Material (tonnes)	Mn Grade (%)	Mn metal (t)
Manganese Valley	Indicated	413,000	41.6	172,000
	Inferred	274,000	39.5	108,000
Batu Hitam West	Inferred	51,000	45.7	23,000
Total Resources		738,000	41.1	304,000

Table 3: Romang Manganese Project Mineral Resource Statement

A technical report of a sufficient level of confidence to support the production target has been prepared. The report titled: "Robust Resources Limited, Manganese Scoping Study, Romang Island, Indonesia, May 2014" was conducted and supervised by Mr David Turvey, who is a Director and principal consultant of Equant Resources Pty Ltd (ABN: 78 109 269 105) and based in Adelaide, Australia. Mr Turvey visited Romang Island to inspect the manganese mineralisation from the 15th to 22nd May 2013, followed by a visit to Robust's Jakarta office to discuss and obtain information on logistics and mining regulations from 22nd to 25th May 2013. Mr Turvey has experience relevant to evaluation and development of industrial mineral deposits (ferrous metal ores) under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Turvey consents to the inclusion in the report of the matters based on his information, data interpretation and opinions in the form and context in which it appears. Mr Turvey holds a Bachelor of Science with Honours in Geology and is a Member of the Australasian Institute of Mining and Metallurgy.

The stated production target is not a 'prediction' that with any confidence will be met, and should not be relied upon by investors when making investment decisions. It is provided to give investors a better idea of the company's future plans, prospects and development path. Further evaluation work and appropriate studies are required to establish sufficient confidence that this target will be met.

Robust Resources is now on Twitter. Please click on the link provided to follow: <https://twitter.com/RobustResources>

*** ENDS ***

For further information please contact: Gary Lewis – Managing Director on +61 2 8259 4799