



ASX/MEDIA RELEASE

Dated: 17 October 2014

ASX:ROL

TARGET'S STATEMENT

In accordance with section 647(3)(b) of the Corporations Act 2001 (Cth), enclosed is a supplementary target's statement that Robust Resources Limited (**Robust Resources**) has today sent to Padiham Resources Pty Ltd (**Padiham**) and lodged with the Australian Securities and Investments Commission (**First Supplementary Target's Statement**).

The First Supplementary Target's Statement supplements, and should be read together with, the target's statement issued by Robust Resources and lodged with ASIC and the ASX on 9 October 2014.

Yours faithfully,
Robust Resources Limited

Dr. David King
Chairman

ROBUST RESOURCES LIMITED
ACN 122 238 813
FIRST SUPPLEMENTARY TARGET'S STATEMENT

1. Important Notice

This supplementary target's statement (**First Supplementary Target's Statement**) is supplementary to the target's statement issued by Robust Resources Limited ACN 122 238 813 (**Robust Resources**) dated, and lodged with ASIC, on 9 October 2014 (**Original Target's Statement**) in response to the Bidder's Statement issued by the Bidder on 26 September 2014.

This First Supplementary Target's Statement was lodged with ASIC and the ASX on 17 October 2014. Neither ASIC, ASX, nor any of their respective officers take any responsibility for the contents of this First Supplementary Target's Statement.

This First Supplementary Target's Statement is supplementary to, and must be read together with, the Original Target's Statement. If there is any inconsistency between the Original Target's Statement and this First Supplementary Target's Statement, this First Supplementary Target's Statement prevails. Capitalised terms used, but not defined, in this First Supplementary Target's Statement have the same meaning as is ascribed to them in the Original Target's Statement.

This is an important document that should be read, together with the Original Target's Statement, in its entirety. If you do not understand it, you should consult your professional advisor.

This First Supplementary Target's Statement is accessible online at www.asx.com under the code ROL and from Robust Resources' website www.robustresources.com.au.

The Original Target's Statement is supplemented and amended as set out below.

2. Conditions to ASIC Exemption

By inserting the following two new paragraphs immediately after the second paragraph on page 7 of the Original Target's Statement:

In this context, Shareholders should be aware that terms of the ASIC Exemption require that if a Rival Bid is made and the consideration offered is more than 105% of the value of the Offer Price (as assessed by ASIC and notified to the Bidder if the consideration offered under the Rival Bid is not cash or is a combination of cash and non-cash consideration), and the Rival Bid is, or has become, unconditional, then, subject to certain other conditions, then the:

- (a) Bidder must vary the Offer so that the value of the consideration offered is at least equal to the value of the consideration offered under the Rival Bid (**Matching Offer**); or
- (b) Joint Bidders' must each accept such Rival Bid in respect of all of the Shares in which they have a Relevant Interest

Please see section 4.6 on page 11 of the Original Target's Statement for further information.

3. Reasons to not accept the Offer

By inserting the following paragraphs at the end of section 6 on page 19 of the Original Target's Statement:

While the Directors of Robust Resources unanimously recommend that you accept the Offer, in the absence of a Superior Proposal, and the Independent Expert has concluded that the Offer is fair and reasonable, you should consider your own individual circumstances, obtain independent professional advice and make your own determination on the merits of the Offer.

Included below are some of the reasons that you may choose to reject the Offer.

(a) ***Belief that the Offer Price is inadequate and not in your best interest***

You may believe that the Offer Price does not accurately reflect the value of your Shares and/or the underlying value of Robust Resources' assets and business.

Specifically, you may disagree with the Directors and the findings of the Independent Expert, and believe that the Offer is not fair or reasonable, and/ or that the Offer Price does not incorporate a sufficient premium to Robust Resources' recent Share price performance.

The Directors consider, however, that if the Offer does not proceed, and no Superior Proposal arises, it is unlikely that the current Share price ranges will be maintained and that the price of Shares may trade significantly below their current levels in the short-to-medium term.

(b) ***Expectation of other proposals or offers***

You may believe that one or more Competing Transactions may emerge which may provide more favourable terms to the terms of the Offer.

However, you should be aware that, as at the date of this First Supplementary Target's Statement, the Directors are not aware of any other offer or potential Competing Transaction.

(c) ***No longer having an interest in Robust Resources***

If you accept the Offer, and the Offer becomes unconditional, you will cease to hold an interest in Robust Resources and, as such, will not participate in any potential future upside that may arise from being a Shareholder.

Specifically, you may be of the view that there is the potential for the value of Robust Resources' assets and business to grow in the medium to long-term which may, in turn, lead to the market value of Shares exceeding the Offer Price. However, you should be aware that there is no guarantee that there will be any future increase in the value of Robust Resources' assets and/ or an increase in Robust Resources' Share price.

Similarly, you may consider that it is desirable in light of your specific financial position or investment objectives, to continue to hold Shares in a company with Robust Resources' specific profile. Specifically, you may wish to maintain an investment in an ASX listed company that is focussed on the exploration and development of precious and base metals in Indonesia, the Kyrgyz Republic and the Philippines. Accordingly, you may consider that by accepting the Offer, this may be disadvantageous as a result of the resulting change to your investment portfolio.

However, you should be aware that, as is disclosed in Section 6 on pages 22 to 24 of the Bidder's Statement, the Bidder has indicated that it intends to compulsorily acquire any remaining Shares in Robust Resources should it become entitled to do so. Accordingly, even if you reject the Offer, you may still be forced to sell your Shares to the Bidder in the event that it becomes entitled to compulsorily acquire your Shares.

(d) ***Sub-optimal tax consequences arising from Offer for you circumstances***

Acceptance of the Offer may trigger one or more taxation implications for you, some of which are described in Section 7 of the Bidder's Statement, and you may not wish to accept the Offer for reasons which are specific to your specific taxation position.

Alternatively, you may prefer not to dispose of your Shares at all due to factors connected with your individual financial circumstances or investment objectives. In either case, Shares may be sold on the ASX at any time prior to their being suspended from trading and Robust Resources being delisted, which, the Bidder has stated that it intends to do should it acquire a Relevant Interest in 90% or more of Robust Resources' Shares.

4. Offer Unconditional

Shareholders should be aware that, on 16 October 2014, the Bidder advised that the sole condition to the Offer had been satisfied and that, as a result, the Offer has become unconditional and re-iterated its intention to compulsorily acquire all outstanding Shares should it acquire a Relevant Interest in at least 90% of Robust Resources' Shares.

As a result, Shareholders who have not yet accepted the Offer and who do so prior to the end of the Offer Period, will be paid by the earlier of:

- (a) one month after they accept the Offer; and
- (b) 21 days after the end of the Offer Period.

In contrast, Shareholders who do not accept the Offer, and whose Shares are compulsorily acquired, will not receive payment until at least one month after compulsory acquisition notices are lodged with ASIC.

Accordingly, the Directors re-iterate their recommendation that Shareholders **ACCEPT THE OFFER**, in the absence of a Superior Proposal.

5. Supplementary Independent Expert's Report

The Independent Expert Report has issued a supplementary Independent Expert's Report, which is attached as Annexure A to this First Supplementary Target's Statement and includes additional disclosure regarding:

- (a) the conditions to the ASIC Exemption; and
- (b) the Offer premium in comparison to the Share price performance of Robust Resources' Shares following the release of the updated Mineral Resource estimate for the Lakuwahi Polymetallic Project on 31 July 2014.

Importantly, these changes do not affect the Independent Expert's conclusion that the Offer is fair and reasonable or the Directors' recommendation that Shareholders **ACCEPT THE OFFER**, in the absence of a Superior Proposal.

6. Additional Information

Shareholders should also be aware that, between the date of lodging the Original Target's Statement with ASIC and the approval of this First Supplementary Target's Statement, the following announcements have been released to the ASX:

Date	Description of announcement
10/10/2014	Change in substantial holding
14/10/2014	Change in substantial holding
15/10/2014	Dispatch of Target's Statement
15/10/2014	Change in substantial holding
16/10/2014	Change in substantial holding
16/10/2014	Padiham Offer for Robust unconditional

In this context, Shareholders should be aware that as at the date that this First Supplementary Target's Statement was approved by the Board, the Bidder has disclosed to the ASX that it has a Relevant Interest in 148,994,097 Shares, providing it with Voting Power in Robust Resources of approximately 76.26%.

Copies of the documents released to the ASX may be obtained from the ASX website at www.asx.com.au or from the Robust Resources website at www.robustresources.com.au. Alternatively, if you would like to receive a copy of any of those documents (free of charge) please contact Mr Ian Mitchell, Robust Resources' Company Secretary, by facsimile to 02 9233 3828 or by email to sbenson@websters.net.au.

7. Consent

Deloitte has given its written consent to being named in this First Supplementary Target's Statement as the Independent Expert, and to the inclusion of the Supplementary Independent Expert's Report and the statements said to be based on statements contained in the Independent Expert's Report and/ or the Supplementary Independent Expert's Report, in this First Supplementary Target's Statement, in the form and context in which they appear. Deloitte has not withdrawn that consent prior to the lodgement of this First Supplementary Target's Statement with ASIC.

8. Authorisation

This First Supplementary Target's Statement has been approved by a resolution passed by the Directors of Robust Resources.

Signed for Robust Resources Limited:


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Dr. David King

Annexure A – Supplementary Independent Expert's Report

The Directors
Robust Resources Limited
Level 34, Gateway Building
1 Macquarie Place
SYDNEY NSW 2000

17 October 2014

Dear Directors

Re: Independent expert's report

We refer to our independent expert's report dated 8 October 2014 (our Report) contained in the Target's Statement issued by Robust Resources Limited (ROL or the Company¹) on 9 October 2014, advising whether, in our opinion, the takeover offer from Padiham Resources Pty Limited (Padiham) to acquire the remaining interest in ROL at a price of \$0.49 cash per share (the Takeover Offer) is fair and reasonable to the shareholders of Robust (Shareholders).

Padiham is owned by Stanhill Capital Partners Holdings Limited and its affiliates (25%) and Droxford International Limited (75%) (together the Bidders). On 9 September 2014, the Bidders obtained an exemption from the Australian Securities and Investments Commission (ASIC) under section 655A (1) of the Corporations Act 2001 (Cth) to make a joint bid for ROL.

In our Report we concluded that the Takeover Offer was fair and reasonable to Shareholders, and our opinion on the Takeover Offer remains unchanged.

Since issuing our Report we have determined that certain supplementary information should be included in our Report that gives Shareholders more fulsome disclosure.

The supplementary information relates to elements of the two reasonableness factors set out on page 4 of our Report, being:

- Padiham indirectly has significant influence and therefore alternative offers are unlikely
- Shareholders are receiving a premium to ROL's share price prior to the Initial Takeover Announcement

We have amended these two reasonableness factors by incorporating the supplementary information below:

Padiham indirectly has significant influence

As at the date of our Report on 8 October 2014, Padiham indirectly, through the Bidders' shareholdings, held a combined interest in ROL of greater than 50%, and the Company had not received any alternate offers for its issued capital. Given their aggregate interest, the Bidders, acting together, have the ability to exert significant influence over ROL covering voting rights and board representation.

We note, however, that the influence the Bidders can exercise if an alternative offer is received is subject to the conditions of the ASIC joint bid relief obtained on 9 September 2014. This joint bid relief requires the Bidders to either match or accept any rival bid for ROL if the following conditions apply:

- the consideration under the rival bid is more than 105% of the value of the consideration offered under the Takeover Offer

¹ All defined terms in this letter have the meaning as given to them in our Report

- where the rival bid is a takeover bid, it is or has become unconditional
- where the rival bid is a takeover bid, the offer period starts before the end of the Takeover Offer period.

Therefore, due to the conditions of the ASIC joint bid relief set out above, in the event an alternative offer was received, it would not necessarily need the support of the Bidders to be successful. Further details of the conditions of the ASIC joint bid relief are set out in section 4.6 of the Target's Statement.

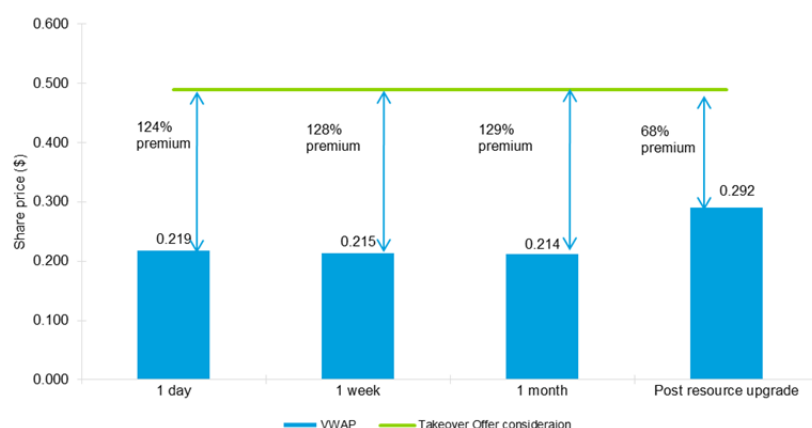
On 16 October 2014, Padiham announced that the outstanding bid condition of the Takeover Offer had been satisfied as Padiham's interest in ROL is 76.26%, and therefore the Takeover Offer is unconditional. Given this, and unless a rival bid is received that meets the conditions set out in the ASIC joint relief, Padiham effectively controls ROL and it can determine the outcome of any resolution requiring approval by at least 50%, and indeed any special resolution requiring 75%, of the votes cast by Shareholders entitled to vote on that resolution.

Shareholders are receiving a premium to ROL's share price prior to the Initial Takeover Announcement

The consideration offered under the Takeover Offer of \$0.49 cash per ROL share represents a significant premium over the prices realised in Australian Securities Exchange (ASX) trading prior to the Initial Takeover Announcement.

In addition, the Takeover Offer is also at a significant premium to the volume weighted average price (VWAP) of the ROL shares between 31 July 2014, the date of the announcement of a significant resource upgrade at Lakuwahi, Indonesia, and the date of the Takeover Announcement on 15 August 2014. However, we do note that the resource upgrade announcement occurred subsequent to the Initial Takeover Announcement and therefore the trading in ROL shares at this time was already influenced by takeover offer announcements. These premiums are illustrated below.

Figure 1



Source: Deloitte Corporate Finance analysis, CapitalIQ

The one month VWAP of a ROL share, prior to the Initial Takeover Announcement on 1 July 2014, was \$0.21. Based on this, the consideration represents a premium to the trading price in ROL shares prior to the Initial Takeover Announcement of approximately 129%.

An individual shareholder's decision in relation to the Offer may be influenced by their own particular circumstances. If in doubt shareholders should consult an independent adviser.

This letter should be read in conjunction with and is supplementary to, our Report.

Yours faithfully

Robin Polson
Authorised Representative

Nicki Ivory
Authorised Representative