

# **PADIHAM RESOURCES PTY LTD**

**ACN 601 323 871**

**30 September 2014**

**By e-lodgement**

The Manager  
Company Announcements Office  
ASX Limited

Dear Sir/Madam

**Takeover Offer by Padiham Resources Pty Ltd – completion of dispatch of bidder's statement**

Attached, pursuant to item 8 of subsection 633(1) of the Corporations Act, is a notice stating that Padiham Resources Pty Ltd ACN 601 323 871 has today completed sending its bidder's statement and offers to offerees as required by item 6 of subsection 633(1) of the Corporations Act in relation to its takeover bid for all of the ordinary shares in Robust Resources Ltd ACN 122 238 813.

Yours sincerely



**Waseem Shiraz**  
Director of Padiham Resources Pty Ltd

# PADIHAM RESOURCES PTY LTD

ACN 601 323 871

## Notice of completion of sending bidder's statement and offers

**To: ASX Limited**

Padiham Resources Pty Ltd (**Padiham**) gives notice that it has today completed sending its bidder's statement dated 26 September 2014 (**Bidder's Statement**) (which contains an offer dated 30 September 2014) (**Offer**) to all persons registered as the holder of shares in Robust Resources Ltd (**Robust**) in the register of Robust shareholders as at 7.00pm (Melbourne time) on 25 September 2014 (being the date set by Padiham under section 633(2) of the Corporations Act 2001 (**Act**)) (**Relevant Offerees**).

A copy of the Bidder's Statement (which contains the Offer) sent to the Relevant Offerees under item 6 of section 633(1) of the Act is included with this notice.

**Date:** 30 September 2014

Signed for and on behalf of **Padiham Resources Pty Ltd** by



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**Waseem Shiraz**  
**Director**

**THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION.**  
**If you are in any doubt about how to deal with this document, you should contact your broker,  
financial, legal, tax or other professional adviser immediately.**

## **Bidder's Statement**

**containing an Offer by**

**Padiham Resources Pty Ltd ACN 601 323 871**

**(a company jointly owned by Stanhill Capital Partners Holdings Ltd and Droxford  
International Ltd)**

**to purchase all of your ordinary shares in**

**Robust Resources Ltd ACN 122 238 813**

# **ACCEPT**

**For each Robust Share you will  
receive \$0.49 cash\***

**The directors of Robust unanimously  
recommend that you accept the Offer in the  
absence of a superior proposal.**

\* Subject to satisfaction of the condition to the Offer

**This Offer is dated 30 September 2014 and will close at 7:00pm (Melbourne time) on 30  
October 2014, unless extended.**

Key dates	
Announcement Date	9 September 2014
Date of this Bidder's Statement	26 September 2014
Date of Offer and date Offer opens	30 September 2014
Date Offer closes (unless extended or withdrawn)	7:00 pm (Melbourne time) on 30 October 2014
Key Contacts	
Share registrar for the Offer	Link Market Services Limited Locked Bag A14 Sydney South NSW 1235

### Important information

This document is a Bidder's Statement and is issued by Padiham Resources Pty Ltd ACN 601 323 871 (**Padiham**) under Part 6.5 of the Corporations Act. This Bidder's Statement is dated 26 September 2014. You should read this Bidder's Statement in its entirety.

A copy of this Bidder's Statement was lodged with the Australian Securities and Investments Commission (**ASIC**) on 26 September 2014. Neither ASIC, nor any of its officers, take any responsibility for the content of this Bidder's Statement.

### Investment advice

This Bidder's Statement constitutes only general advice and does not take into account your individual investment objectives, financial situation or particular needs. It does not contain personal advice. Padiham encourages you to seek independent financial and taxation advice before making a decision whether to accept the Offer.

### Disclaimer as to Robust Resources Ltd (Robust) information

The information on Robust, Robust's securities and the Robust Group contained in this Bidder's Statement, including (but not limited to) section 4, have been prepared by Padiham using publicly available information.

Information in this Bidder's Statement concerning Robust's business, assets and liabilities, financial position and performance, profits and losses, and prospects, has not been independently verified by Robust. Accordingly, Padiham does not, subject to the Corporations Act, make any representation or warranty, express or implied, as to the accuracy or completeness of such information.

Further information relating to Robust's business may be included in Robust's Target's Statement which Robust must provide to Robust Shareholders in response to this Bidder's Statement.

### Notice to foreign shareholders

This Bidder's Statement and the Offer are subject to Australian disclosure requirements which may be different from those applicable in other jurisdictions. This Bidder's Statement and the Offer do not constitute an offer in any place which, or to any person to whom, it would not be lawful to make such an offer.

The distribution of this Bidder's Statement may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this Bidder's Statement should inform themselves of, and observe, those restrictions.

## **Privacy**

Padiham has collected your information from the Robust register of shareholders for the purpose of making this Offer and, if accepted, administering Your Robust Shares. The Corporations Act requires the name and address of shareholders to be held in a public register. Your information may be disclosed on a confidential basis to Padiham's related bodies corporate and external service providers, and may be required to be disclosed to regulators such as ASIC. The registered address of Padiham is 33 Junction Street, Sherwood QLD 4075.

## **Disclaimer as to forward-looking statements**

Some of the statements appearing in this Bidder's Statement may be in the nature of forward-looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industry in which Robust and the members of the Robust Group operate, as well as general economic conditions, prevailing exchange rates and interest rates, conditions in the financial markets and geopolitical events. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement. None of Padiham, the officers of Padiham, any persons named in this Bidder's Statement with their consent or any person involved in the preparation of this Bidder's Statement, makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward-looking statement, or any events or results expressed or implied in any forward-looking statement, except to the extent required by law. Padiham cautions you not to place undue reliance on any forward-looking statement. The forward-looking statements in this Bidder's Statement reflect views held only as at the date of this Bidder's Statement.

## **Defined terms**

A number of defined terms are used in this Bidder's Statement. Unless the contrary intention appears, the context requires otherwise or words are defined in section 10 of this Bidder's Statement, words and phrases in this Bidder's Statement have the same meaning and interpretations as in the Corporations Act.

# **Padiham Resources Pty Ltd**

## **ACN 601 323 871**

26 September 2014

Dear Robust Shareholder,

### **Recommended Takeover Bid for Robust**

I am pleased to enclose an offer by Padiham Resources Pty Ltd (**Padiham**), to acquire all of Your Robust Shares (**Offer**).

Padiham is a special purpose vehicle jointly owned by Droxford International Ltd (**Droxford**) and Stanhill Capital Partners Holdings Ltd (**Stanhill**) (together, the **Joint Bidders**) to make the Offer. Padiham is wholly owned by tp2, which is 75% owned by Droxford and 25% by Stanhill. Together, the Joint Bidders have a relevant interest in approximately 46.6% of Robust Shares as at the date of this Bidder's Statement.

**The consideration for the Offer is \$0.49 cash for each of Your Robust Shares, and values Robust at approximately \$96 million on a fully diluted basis.**

The directors of Robust unanimously recommend that Robust Shareholders **ACCEPT** the Offer in the absence of a superior offer and subject to an independent expert concluding that the Offer is fair and reasonable, and intend to accept the Offer for Robust Shares they own or control subject to the same qualifications.

We believe that our Offer is compelling and represents the best opportunity for Robust Shareholders to receive a certain, attractive cash return for an investment that carries certain risks moving forward which are described in this Bidder's Statement.

The Offer Price of \$0.49 per share represents:

- a 123% premium to the closing share price of Robust of \$0.22 on 30 June 2014 (the trading day prior to Stanhill's announcement of its intention to make a takeover offer on 1 July 2014 (**Stanhill's Original Offer**));
- a 111% premium to the volume weighted average price per share of Robust for the 3 months prior to announcement of the Stanhill's Original Offer.

In addition, Robust Shareholders should consider the following factors when evaluating whether to accept the Offer:

- The Offer provides all Robust Shareholders with the opportunity to realise their investment in Robust at a premium to the price of Robust Shares prior to the announcement of the Offer, and in a short period of time.
- The Offer provides you with an immediate opportunity to realise a certain cash value for your investment in Robust, allowing you to eliminate various risks with Robust and its operations.
- Robust has not received any alternative proposal which is higher than the Offer.
- There is no certainty that commodity prices, including copper and gold in particular, will remain at the current levels. Should commodity prices fall, this is likely to have a negative impact on the price of Robust Shares.

- There is no certainty that Robust's trading price would trade at or above the Offer price of \$0.49 per share if the Offer lapses, and there is a risk that if this occurs, the price of Robust Shares may fall significantly.

On behalf of Padiham, I strongly encourage you to accept this Offer, which is scheduled to close at 7:00pm (Melbourne time) on 30 October 2014, unless extended.

Details of our Offer, including its terms and conditions are set out in this Bidder's Statement. I encourage you to read the Bidder's Statement carefully and in full, together with the Target's Statement to be released shortly by Robust, and to accept the Offer as soon as possible. **In order to be valid, your acceptance must be received before 7.00pm (Melbourne time) on 30 October 2014 which, unless extended, will be the closing date of the Offer.**

To accept the Offer, you should follow the instructions in this Bidder's Statement and on the accompanying Acceptance Form.

Yours sincerely,



**Waseem Shiraz**

**Director of Padiham Resources Pty Ltd**

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## Why you should accept the Offer



### **Robust Directors' Unanimous Recommendation**

The directors of Robust unanimously recommend that you accept the Offer, in the absence of a superior proposal and subject to an independent expert concluding that the Offer is fair and reasonable, and intend to accept the Offer for Robust Shares they own or control, subject to the same qualifications.



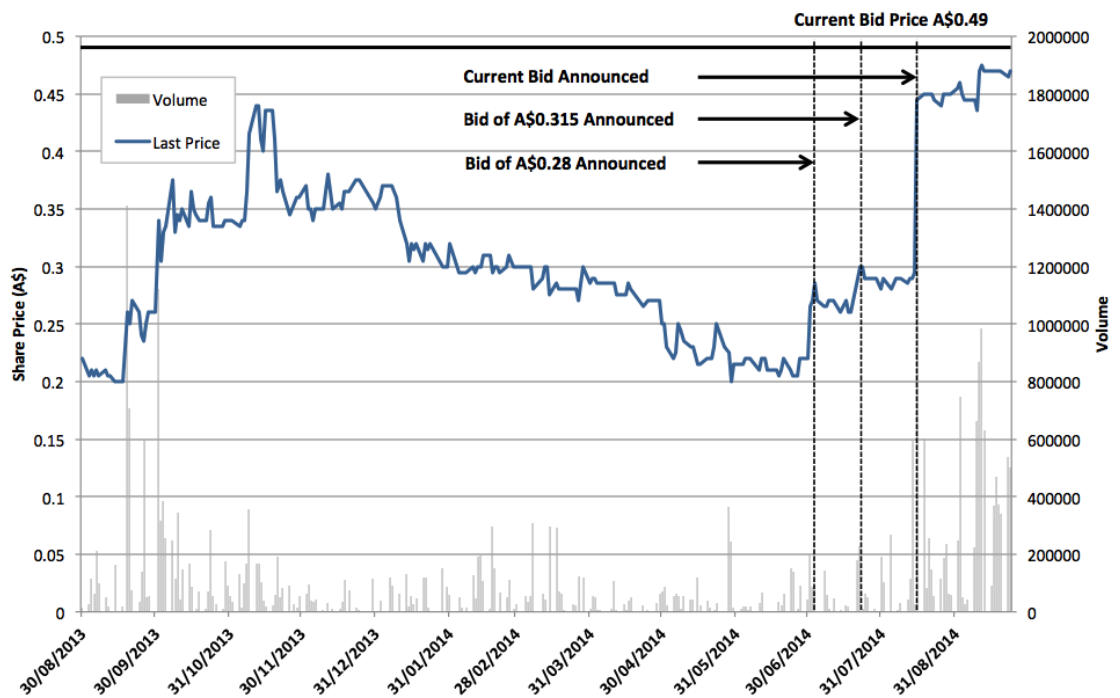
### **A Highly Attractive Premium**

The Offer provides substantial value to Robust Shareholders as it represents a highly attractive premium over the historical market price of Robust Shares. At \$0.49 per Robust Share, the Offer represents a premium of approximately:

- 66% to the closing price of Robust Shares quoted on the Australian Securities Exchange (**ASX**) of \$0.295 on 14 August 2014 prior to the announcement of the potential Offer on 15 August 2014;
- 123% to the closing price of Robust Shares quoted on ASX on 30 June 2014 prior to the announcement of Stanhill's Original Offer, of \$0.22 per share;
- 111% to the volume weighted average price of Robust Shares quoted on ASX of approximately \$0.2325 per share for the 3 month prior to announcement of Stanhill's Original Offer;
- 79% to the volume weighted average price of Robust Shares quoted on ASX of approximately \$0.2745 per share for the 6 months prior to the announcement of Stanhill's Original Offer; and
- 74% to the volume weighted average price of Robust Shares quoted on ASX of approximately \$0.2823 per share for the 12 months prior to the announcement of Stanhill's Original Offer.

The following chart illustrates the price of Robust Shares for the period from 27 June 2013 to 22 September 2014, as compared to the Offer Price.





\*Source: Bloomberg. Bloomberg has not consented to the use of any trading data in this Bidder's Statement.



## Liquidity for Robust Shareholders

The average daily turnover of Robust Shares on ASX during the previous twelve months has been very low.

Padiham's Offer will allow Robust's Shareholders to dispose of all of their Robust Shares, and to realise full value for those shares.

Such opportunities have been limited to date with historical turnover of Robust Shares equal to:

- a daily average volume of approximately 57,145 Robust Shares (or approximately 0.03% of Robust Shares on issue) for the 5 trading days prior to the announcement of Stanhill's Original Offer; and
- a daily average volume of approximately 98,421 Robust Shares (or approximately 0.05% of Robust Shares) for the 12 months prior to the announcement of Stanhill's Original Offer.

In the absence of the Offer, there is no guarantee that Robust Shareholders would be able to liquidate part or all of their shareholding in Robust on-market in a single transaction. The Offer provides you with an opportunity to dispose of all of Your Robust Shares in a single transaction for certain cash value.



## **Certainty of Attractive Cash Return for Robust Shareholders**

By accepting the Offer, you will be able to realise a certain and compelling cash value for all of Your Robust Shares. In addition, you will not incur any brokerage charges by accepting the Offer, whereas such charges may be incurred if you choose to sell Your Robust Shares on ASX.

If you accept the Offer and the Offer becomes unconditional, you will be paid \$0.49 cash for each of Your Robust Shares.



## **The price of Robust Shares is likely to fall if this Offer is not successful and there is no competing proposal**

Since the announcement on 1 July 2013 of Stanhill's Original Offer and up to the date of this Bidder's Statement, no other party has announced an offer to acquire all of Your Robust Shares or any alternative control transaction.

Since 1 July 2013, Robust's share price has increased by \$0.245 to \$0.465 as at the close of trading on 25 September 2014, the last practicable trading day prior to the date on which this Bidder's Statement was printed.

If the Offer does not proceed and no alternative transaction is announced, it is likely that Robust's share price will fall significantly.



## **Accepting the Offer removes risks that could affect the value of Your Robust Shares over time**

Robust is subject to a number of risks. If you accept the Offer, and the condition of the Offer is satisfied, you will be paid cash for Your Robust Shares and will no longer be exposed to the risks that could affect the trading price of Robust Shares.

Some of these risks include:

### **Funding risks**

Remaining as a Robust Shareholder will mean continued exposure to the risks relating to funding of Robust's projects, which will require substantial capital to reach production. Without such funding, the future value of Your Robust Shares will be in question.

These future development costs may give rise to a significant funding requirement for Robust. Robust may seek to raise funds through raising equity capital, for example via rights issues or placements to third parties. These capital raisings could result in the dilution of the ownership interest of existing Robust Shareholders.

## **Market risks**

There are inherent risks in holding shares in a listed entity such as Robust. These risks include but are not limited to:

- commodity price risk;
- foreign exchange risk;
- regulatory risk; and
- general economic conditions.

## **Equity market risks**

The Australian and international economic outlook and recent volatility in world markets may continue to impact upon movements in general levels of security prices on local stock markets (including Robust Shares), inflation and interest rates that may impact upon Robust's operations and the demand for listed securities (including Robust Shares).

Over the twelve-month period prior to the announcement of Stanhill's Original Offer, the share price of Robust Shares has underperformed the S&P/ASX 200 Index by 26.6% and the ASX Small Cap Resources Index by 23.3%.

## **Conclusion**

Subject to the satisfaction of the condition, the Offer provides certainty of value for Robust Shareholders, by enabling them to achieve an immediate and attractive cash return for all of their Robust Shares, and without any brokerage fees.

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## 1 Summary of the Offer and How to Accept

### Who is Padiham?

Padiham is a special purpose vehicle jointly owned by Droxford and Stanhill incorporated for the purpose of making the Offer. Padiham is a wholly owned subsidiary of tp2, which is 75% owned by Droxford and 25% owned by Stanhill.

For information on Padiham, Stanhill and Droxford, please see section 2.

### What Padiham is offering to buy?

Padiham is offering to buy all Robust Shares, including Robust Shares that are issued during the Offer Period due to the exercise of Robust Options, on the terms set out in this Bidder's Statement. You may only accept this Offer in respect of **all** of Your Robust Shares.

For full terms of the Offer, please see section 9.

### What you will receive if you accept the Offer?

If you accept the Offer you will receive \$0.49 cash for each of Your Robust Shares, subject to the satisfaction of the condition to the Offer.

### Why you should accept the Offer?

There are a number of reasons why you should accept the offer:

- the directors of Robust unanimously recommend that you **ACCEPT** the Offer in the absence of a superior proposal and subject to an independent expert concluding that the Offer is fair and reasonable;
- the Offer represents an attractive premium to recent trading levels;
- the Offer allows you to sell your entire holding in a stock which has relatively low trading liquidity;
- you are being offered full cash consideration and certain value for Your Robust Shares; and
- Robust's share price is likely to fall if this Offer is not successful and there is no competing proposal.

For more information, please see pages 6 to 9.

### What is the independent expert?

Robust has engaged an independent expert to prepare a report on whether, in the expert's opinion, the Offer is fair and reasonable to Robust Shareholders not associated with the Joint Bidders. Details of the independent expert's report and conclusions will be provided with Robust's Target's Statement.

### When you will be paid?

If you accept the Offer and the Offer is, or becomes, unconditional, you will be paid on the earlier of:

- one month after you accept the Offer, or one month after the condition has been satisfied or waived (whichever is the later); and
- 21 days after the end of the Offer Period.

Full details of when payments will be made are set out in section 9.6 of this Bidder's Statement.

<b>No brokerage on acceptances</b>	You will not pay brokerage if you accept the Offer. Any such costs will be borne by Padiham.
<b>What is the Bidder's Statement?</b>	<p>The Bidder's Statement describes the terms of the Offer for Your Robust Shares and information relevant to your decision whether or not to accept the Offer.</p> <p>This Bidder's Statement is an important document. Should you have any doubt as to how to deal with this document, you should consult your broker, financial, legal, tax or other professional advisor immediately.</p>
<b>Close of the Offer</b>	The Offer closes at 7:00pm (Melbourne time) on 30 October 2014, unless it is extended in accordance with the Corporations Act.
<b>There is one condition to the Offer</b>	<p>The Offer is subject to a condition that before the end of the Offer Period, Padiham has received valid acceptances by holders of a minimum of 50.1% of the Robust Shares in which the Joint Bidders do not have a relevant interest at the beginning of the Offer Period. This condition cannot be waived by Padiham unless relief is granted by ASIC.</p> <p>Full details of the condition to the Offer are set out in section 9.7 of this Bidder's Statement.</p>
<b>What happens if the condition to the Offer is not satisfied?</b>	If the condition of the Offer as set out above is not satisfied by the closing date, the Offer will lapse, any acceptances will be cancelled and you will retain Your Robust Shares even if you have accepted the Offer.
<b>Treatment of Robust Options</b>	Padiham is not making any separate offer for any Robust Options on issue.
<b>How do you accept the Offer</b>	<p>You may only accept the Offer for <b>all</b> Your Robust Shares.</p> <hr/> <p>Depending on the nature of your holding, you may accept the Offer in the following ways:</p> <p><b>Issuer sponsored shareholders</b></p> <p><b>If Your Robust Shares are held on Robust's issuer sponsored sub register (such holdings will be evidenced by an "I" appearing next to your holder number on the enclosed Acceptance Form),</b> to accept this Offer, you must complete and sign the Acceptance Form enclosed with this Bidder's Statement and return it to the address indicated on the form before the Offer closes.</p> <p><b>CHESS sponsored shareholders</b></p> <p><b>If Your Robust Shares are in a CHESS Holding (such holdings will be evidenced by an "X" appearing next to your holder number on the enclosed Acceptance Form),</b> you may accept the Offer by either:</p> <ul style="list-style-type: none"> <li>• completing and signing the Acceptance Form enclosed with this booklet and returning it to the address indicated on the form, so that it is received in sufficient time for your Controlling Participant to effect acceptance before the Offer closes; or</li> <li>• contacting your Controlling Participant (normally your broker) and instructing them to accept the Offer on your behalf,</li> </ul>

before the Offer closes.

### **Participants**

If you are a Participant, acceptance of this Offer must be initiated in accordance with rule 14.14 of the ASX Settlement Operating Rules before the Offer closes.

Full details on how to accept the Offer are set out in section 9.3 of this Bidder's Statement.

#### **Can I withdraw my acceptance?**

Your acceptance of the Offer is irrevocable and can only be withdrawn in certain circumstances described in the Corporations Act as set out in section 9.5 of this Bidder's Statement.

#### **Can the Offer Period be extended?**

Yes, the Offer Period may be extended at the election of Padiham and as required under the Corporations Act. Padiham will give written notice of any extension of the Offer Period in accordance with the Corporations Act. Any extension will be announced to the ASX.

#### **What happens if you do not accept the Offer?**

You will remain a Robust Shareholder and will not be paid the cash consideration under the Offer.

If Padiham becomes entitled to compulsorily acquire Your Robust Shares, it intends to proceed with the compulsory acquisition. If Your Robust Shares are compulsorily acquired by Padiham following the Offer, it will be on the same terms (including the same consideration for each Robust Share acquired) as the Offer.

#### **What are the tax implications of accepting the Offer?**

Please refer to section 7 of this Bidder's Statement for an overview of the Australian taxation treatment for Robust Shareholders accepting the Offer.

Robust Shareholders should not rely on that description as advice for their own affairs and Padiham recommends you should consult your taxation advisor for detailed taxation advice before making a decision as to whether or not to accept the Offer.

#### **What if you are a foreign shareholder?**

Foreign shareholders will receive the same cash consideration as stipulated under the Offer, which will be paid in Australian dollars. However, the tax implications under the Offer for those foreign shareholders may be different to those relating to Australian resident shareholders.

#### **Where to go for further information on how to accept the Offer?**

For information on how to accept the Offer, please see the enclosed Acceptance Form. If you have any questions or queries in respect of the Offer, or you require assistance in filling out the Acceptance Form, please email Padiham at [padihamresources@stanhillcapital.com](mailto:padihamresources@stanhillcapital.com).

#### **Important notice**

The information in this section 1 is a **summary only** of Padiham's Offer and is qualified by the detailed information set out elsewhere in this Bidder's Statement.

You should read the entire Bidder's Statement and the Target's Statement that Robust will shortly be sending to you, before deciding whether to accept the Offer.

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## **2 Information regarding Padiham and its investors**

### **2.1 Overview of Padiham**

Padiham was incorporated in Victoria, Australia on 19 August 2014 for the specific purpose of making this Offer. Padiham is wholly owned by tp2 Limited which is jointly owned by Droxford and Stanhill. The diagram in section 2.3 illustrates the ownership structure of Padiham.

As at the date of this Bidder's Statement, Padiham has not undertaken any business and has no assets or liabilities other than in connection with the Offer. Padiham's funding arrangements in relation to the Offer are set out in section 5.2.

### **2.2 Directors of Padiham**

The directors of Padiham as at the date of this Bidders Statement are:

#### **Waseem Shiraz**

Mr Shiraz is the Managing Partner of Stanhill Capital Partners and has been involved in a variety of public and private equity investments.

Mr Shiraz started his career in the M&A division of Morgan Stanley, where he focused on a wide variety of M&A, strategic advisory and capital markets financings for clients across all sectors of the power and energy industry. Mr Shiraz has also worked with NUON NV and Carlton Capital.

Mr Shiraz holds a Bachelor of Science (Econ) with Honours from University College London in the United Kingdom.

#### **Mr Tan Hang Huat**

Mr Tan is the Group Managing Director of KMP Private Limited.

Mr Tan has worked with KMP Private since 1990, when he first joined the company as a Project Manager, and has been in his current role since 2004. Mr Tan is the Non-Executive Commissioner for PT Nippon Indosari Corpindo Tbk and held a Non-Executive Director position with Guthrie GTS Limited until earlier this year.

Mr Tan holds a Bachelor of Commerce and Master of Business Administration from the University of Newcastle in New South Wales, Australia.

#### **Mr Moses Teng**

Mr Teng is a Director of KMP Private Limited, and has been with KMP Private since 1992, previously holding the role of Senior Project Manager. Prior to joining KMP Private, Mr Teng practiced as an accountant with Kontiki Enterprises and Lum Chang Holdings Limited.

Mr Teng holds a Bachelor of Accounting from the National University of Singapore and is a Fellow Chartered Accountant with the Institute of Singapore Chartered Accountants.

#### **Mr Ferdian Purnamasidi**

Mr Purnamasidi is the Senior Corporate Development Manager of the Salim Group.

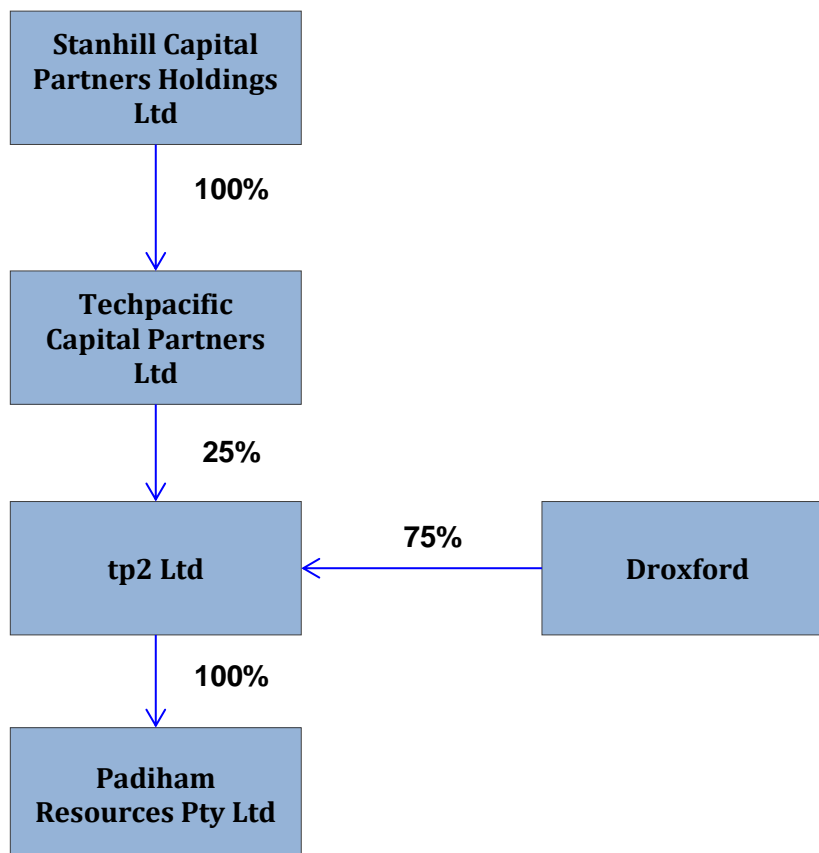
Mr Purnamasidi has previously held positions as the Senior Building and Design Executive at Scott Park Homes, as well as Sales and Marketing Executive Roles with Diesel Motors Mercedes Benz and Auto Classic BMW in Western Australia.

Mr Purnamasidi holds a Bachelor of Commerce from the Curtin University of Technology in Western Australia and a Diploma of Business Management from the Western Australia TAFE Institute.

### 2.3 Padiham ownership structure

Padiham is a wholly owned subsidiary of tp2, a company incorporated in the British Virgin Islands.

tp2 is 75% owned by Droxford and 25% owned by Stanhill, through its wholly-owned subsidiary Techpacific Capital Partners Ltd (**Techpacific**). The ownership structure of Padiham is set out in the diagram below.



### 2.4 Overview of Droxford

Droxford International Limited, incorporated in the British Virgin Islands, is a member of the Salim Group. Droxford is the majority investor in tp2, owning 75% of that entity. Droxford also holds other mining investments in Australia with a primary focus on investment in gold, coal and iron ore projects.

The Salim Group holds a 29.5% economic interest in Robust's Indonesian subsidiary which operates the Romang Island Project.

The Salim Group is a diversified conglomerate which is led by Mr. Anthoni Salim. The Salim Group owns interests in companies primarily in Indonesia but also in other countries such as Thailand, the Philippines, Hong Kong, Singapore, China, Vietnam, and Australia. The Salim Group's interests include dairy



products, flour milling, instant noodles, cooking oil, automobile assembly, property, insurance, and retail.

## **2.5 Overview of Stanhill Capital Partners**

### **(a) Introduction**

Stanhill Capital Partners is the minority investor in tp2, owning 25% of that entity. Stanhill is headquartered in Hong Kong and privately owned by its staff and employees. Formerly operating as Crosby Capital Partners, the name was changed during 2010 when parts of the businesses were divested. Stanhill has a track record of over 15 years of successfully initiating and investing in complex distressed companies that are publicly listed. Further information about Stanhill, including its business activities and its senior management team can be obtained at [www.stanhillcapital.com](http://www.stanhillcapital.com).

### **(b) Stanhill Senior Management**

#### **Mr Ilyas Khan (Senior Partner)**

Mr Khan is the founder and senior partner of Stanhill Capital Partners.

Mr Khan is a Fellow of the University of Cambridge's Judge Business School, and also Chairman, since 2009, of Leonard Cheshire Disability, the world's largest NGO and Charitable organisation that cares for disabled people. LCD operates in over 50 countries.

Mr Khan is a non-executive director or chairman of a number of other organisations in the business and also the NGO and charitable sectors.

Mr Khan started his career at London based merchant bank J Henry Schroder Wagg, and then worked in positions of leadership at Citicorp, UBS and Nomura. He has played a key role in the development of the Accelerator Programme for technology companies at the Judge Business School in Cambridge. He is the founder of Cambridge Quantum Computing and currently its non-executive Chairman.

He is a published author, was the founder of the Asia Literary Review, and has an interest in the Philosophy of Mathematics and the work of Ludwig Wittgenstein.

#### **Mr Waseem Shiraz (Managing Partner)**

Please see the information above in relation to Mr Shiraz.

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### 3 Information regarding Robust

#### 3.1 Overview of Robust and its principal activities

Robust was listed on the ASX in 2007. Its objective is to acquire, explore for and develop precious and base metal opportunities in the Asia-Pacific region, with particular focus on projects in Indonesia and the Philippines.

In addition to the Romang Island Project (**Romang Island Project**) referred to below, Robust's portfolio in the region consists of two exploration earn-in and option agreements for Philippine based exploration projects known as the Ganymede copper gold project on the island of Bohol and the Metis project on Negros Island which when combined cover an area of 120km<sup>2</sup>. Applications for Exploration Permits have been lodged and their award is being awaited.

Robust also holds an 87.3% shareholding in London AIM listed Tengri Resources (AIM: TEN) which operates a portfolio of development and exploration stage projects in the Kyrgyz Republic.

#### 3.2 Romang Island Project

Robust's primary focus has been the development of the Romang Island silver, gold and base metal Project in Indonesia, this project is owned by Indonesian company PT Gemala Borneo Utama (**GBU**) of which Robust currently has a 70.5% interest (as outlined above, the Salim Group has an economic interest in the remaining 29.5%). On 9 July 2013 Robust announced the proposed sale of part of its interest in GBU. Following completion of this transaction, Robust will retain a 60% interest in GBU.

The Romang Island project has been categorised as a 6km by 4km hydrothermal alteration and has been the company's main focus since 2008. Robust has made a number of mineral discoveries and defined significant JORC compliant mineral resources at Romang Island. Current resources cover a range of metals including gold, silver, lead, zinc and copper.

Other minerals discoveries uncovered by the Robust exploration programmes include a high grade manganese project which has been targeted for rapid development and large quantities of barite.

#### 3.3 Directors

As at the date of this Bidder's Statement, there are three directors of Robust:

- Dr David King (Chairman);
- John A Levings (Technical Director); and
- Hugh Thomas (Non – Executive Director).

Profiles of Robust's directors are available on Robust's website at [www.robustresources.com.au](http://www.robustresources.com.au).

### 3.4 Substantial shareholders

Based on information disclosed by Robust, each of the following persons was a substantial shareholder in Robust Shares as at the date of this Bidder's Statement.

Robust Shareholder	Robust Shares	%
Droxford International Limited	52,188,676	26.7%
Stanhill Capital Partners Holdings Ltd	38,878,556	19.90%
Gold Fields Limited	10,274,465	5.26%
Gary Lewis	13,160,030	6.74%

### 3.5 Financial results

On 14 March 2014 Robust issued its financial results for the half year ended 31 December 2013. The financial results announcement is available via the ASX.

### 3.6 Disclaimer as to information about Robust

The information on Robust and Robust's securities contained in this Bidder's Statement has been prepared by Padiham using publicly available information only.

Information in this Bidder's Statement concerning Robust's business has not been independently verified by Padiham. Accordingly, Padiham does not make any representation or warranty, express or implied, as to the accuracy or completeness of such information.

Further information relating to Robust's business is included in Robust's Target Statement which Robust must provide to Robust Shareholders in response to this Bidder's Statement.

### 3.7 Publicly available information on Robust

Robust is required to lodge various documents with ASIC and with the ASX. Copies of documents lodged with ASIC by Robust may be obtained from, or inspected at, an ASIC office. ASX maintains files containing publicly available information about all listed entities. Robust's file is available for inspection at ASX during normal business hours or online at [www.asx.com.au](http://www.asx.com.au).

Further information about Robust is available at [www.robustresources.com.au](http://www.robustresources.com.au).

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## **4 Information regarding Robust securities**

### **4.1 Robust's issued securities**

According to information provided by Robust to ASX, as at the date of this Bidder's Statement, Robust's issued securities consisted of:

- 195,369,630 Robust Shares; and
- 1,896,974 Robust Options.

### **4.2 Robust Options**

According to information provided by Robust to the ASX and limited information provided by Robust to Padiham, Robust currently has 1,896,974 Robust Options on issue as at the date of this Bidder's Statement.

### **4.3 Interests in Robust securities**

As at the date of this Bidder's Statement, the Joint Bidders had a relevant interest in 91,067,232 Robust Shares, representing voting power in Robust of 46.6%.

### **4.4 Dealings in Robust Shares and Robust Options**

On 15 July 2014, tp2, an associate of Padiham, purchased 38,878,556 Robust Shares in an off-market transfer for the consideration of \$0.315 per share.

Except as set out above neither Padiham, Stanhill, Droxford or any of their respective associates has provided, or agreed to provide, consideration for Robust Shares or Robust Options under any purchase or agreement during the 4 months before the date of this Bidder's Statement.

### **4.5 Recent share price performance of Robust**

The latest recorded sale price of Robust Shares on ASX on:

- (a) 30 June 2014, being the last trading day prior to the announcement of Stanhill's Original Offer, was \$0.22 per Robust Share;
- (b) 14 August 2014, being the last trading day prior to the announcement of the Offer, was \$0.295 per Robust Share; and
- (c) The latest recorded sale price of Robust Shares on ASX on 25 September 2014, being the last trading day prior to the date on which this Bidder's Statement was lodged with ASIC, was \$0.465 per Robust Share.

### **4.6 Offer extends to new Robust Shares issued following exercise of Robust Options**

The Offer extends to Robust Shares that are issued on the exercise of Robust Options during the period from the Register Date to the end of the Offer Period. As set out in section 6 of this Bidder's Statement, Padiham is not considering making a separate offer for Robust Options (although it reserves the right to do so).

### **4.7 No pre-Offer benefits**

Other than as disclosed above in this section 4, during the period of 4 months before the date of this Bidder's Statement, and the period from the date of this Bidder's Statement to the date before the date of the Offer, neither Stanhill,

Droxford, Padiham nor any of their respective associates gave, or offered to give, or agreed to give a benefit to another person which was likely to induce the other person, or an associate of the other person, to:

- accept the Offer; or
- dispose of Robust Shares,

and which is not offered to all holders of Robust Shares under the Offer.

#### **4.8 No escalation agreements**

Neither Stanhill, Droxford, Padiham nor any of their respective associates has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

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## 5 Sources of cash consideration

### 5.1 Total cash consideration

The total consideration for the acquisition of Robust Shares to which the Offer relates will be satisfied wholly in cash.

As at the date of this Bidder's Statement, Robust has 195,369,630 shares on issue. If acceptances are received for all Robust Shares on issue as at the date of this Bidder's Statement or if Padiham becomes entitled to and exercises the right of compulsory acquisition under the Corporations Act, the amount of cash that Padiham would be required to pay under the Offer would be approximately \$95,731,119.

If acceptances are received in respect of the Robust Shares on issue as at the date of this Bidder's Statement (other than those Robust Shares in which Padiham and the Joint Bidders currently have a relevant interest), the amount of cash that Padiham would be required to pay under the Offer would be \$51,108,175.

### 5.2 Sources of cash consideration

The cash consideration of \$51,108,175 payable under the Offer will be paid by Padiham.

The Joint Bidders have committed on an irrevocable and unconditional basis to provide Padiham with up to \$53.6 million, being all the amounts Padiham is required to pay under the Offer as well as any associated transaction costs incurred by Padiham (the **Total Funding Amount**).

The funding will remain in place for so long as Padiham has an outstanding obligation to make payments under the Offer and is not subject any conditions precedent. Padiham is entitled to call on the funds committed by the Joint Bidders at any time for the purpose of making payments under the Offer, subject to the Offer becoming unconditional.

Each of Stanhill and Droxford have sufficient cash reserves in excess of their respective portions of the Total Funding Amount and the funds committed by the Joint Bidders are not required for any other arrangements or obligations of the Joint Bidders. For further information about each of the Joint Bidders and their business interests and background, please refer to section 2.

Having regard to the matters set out in this section 5, Padiham is of the opinion that it has a reasonable basis for forming the view, and it holds the view, that it will be able to satisfy its payment obligations under the Offer, as well as its costs associated with the Offer.

**The Offer is not subject to any financing defeating conditions.**

### 5.3 No hedging

There are no hedging arrangements in place for movements in exchange rates in respect of the arrangements described in this section 5. However, Padiham expects that the funds available under those arrangements will be more than

sufficient to pay the Total Funding Amount, even in the event of a material adverse movement in exchange rates.

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## **6 Padiham's intentions regarding Robust**

### **6.1 Introduction**

This section sets out Padiham's and the Joint Bidders' intentions in relation to the following:

- the continuation of the business of Robust;
- any major changes to the business of Robust; and
- the future employment of the present employees of Robust.

These intentions are based on the basis of facts and information concerning Robust, its business and the general business environment which is known to Padiham at the time of preparing this Bidder's Statement. Final decisions will only be reached by Padiham in light of material information and circumstances at the relevant time. Accordingly, the statements in this section are statements of current intention only and accordingly may vary as new information becomes available or circumstances change.

The articulation and formulation of Padiham's intentions are necessarily limited by virtue of the fact that it has only had access to publicly available information about Robust and its affairs.

Padiham's intentions set out in this Bidder's Statement have been approved by the Joint Bidders, and also reflect the intentions of the Joint Bidders as at the date of this Bidder's Statement.

### **6.2 Intentions for Robust as a wholly-owned controlled entity**

Without limiting the comments in section 6.1, this section 6.2 describes Padiham's specific intentions if Padiham and its associates acquire a relevant interest in 90% or more (by number) of Robust Shares, and so becomes entitled to proceed to compulsory acquisition of the outstanding Robust Shares in accordance with Part 6A.1 of the Corporations Act.

#### **(a) Corporate matters**

Padiham intends to:

- proceed with compulsory acquisition of the outstanding Robust Shares in accordance with the provisions of Part 6A.1 of the Corporations Act, including any Robust Shares which are issued after the close of the Offer as a result of the exercise of Robust Options;
- arrange for Robust to be removed from the official list of ASX; and
- review and replace some or possibly all of the existing members of the board of Robust with its own nominees. These nominees are expected to be executives or nominees of Droxford with appropriate expertise and experience.

#### **(b) General strategic review**

Padiham has not had access to all information necessary to determine the current status of Robust's projects and the financial and other resources required in connection with the development of these projects.



Accordingly, after the end of the Offer Period, Padiham intends to conduct a broad based review of Robust's operations at a strategic, financial and operational level.

Once this review has been completed, Padiham will determine the level of financial and other resources necessary to optimise the development of Robust's Assets.

In particular, Padiham will determine the optimal strategy in terms of realising maximum value for its investment in Robust, and in doing so, will keep all options for value maximisation open.

Padiham does not have sufficient information available to it as at the date of this Bidder's Statement to pre-empt the results of its review, or express a definitive opinion on whether any of Robust's Assets ought to be maintained in their current form, further developed or sold, and therefore has not formed any intentions in this regard.

**(c) Impact on Employees**

Subject to the review described above, Padiham intends to maintain the current employment arrangements (to the extent practicable) of all Robust employees. Following completion of the Offer, and as part of the strategic review described above, Padiham will consider whether, in order to further develop Robust's Assets, additional management and technical resources from external sources will be required.

As a result of the implementation of Padiham's intentions in regards to corporate matters (discussed above), it is likely that certain operational and administrative functions, for example, those relating to the maintenance of Robust's listing on ASX, and those relating to the performance of certain of Robust's administrative functions will become redundant. If redundancies occur, the relevant employees will receive benefits in accordance with their contractual and other legal entitlements.

### **6.3 Intentions for Robust as a part owned controlled entity**

This section 6.3 describes Padiham's intentions if Robust becomes a controlled entity of Padiham, but Padiham is not entitled to proceed to compulsory acquisition in accordance with Part 6A.1 of the Corporations Act.

In that circumstance, Padiham's current intentions are as follows:

**(a) Corporate matters**

After the end of the Offer Period, Padiham intends to:

- (1) subject to the Corporations Act and the constitution of Robust, take steps to reconstitute the Robust board so that its nominees are in at least the majority. Padiham has not made any decision on who would be nominated for appointment to the board of directors of Robust in this case. Padiham would consider (but not necessarily comply with) the recommendations in the ASX Corporate Governance Principles and Recommendations when determining the composition of the board; and
- (2) subject to the Corporations Act, ASX Listing Rules and the constitution of Robust, seek the delisting of Robust from ASX.

It is possible that, even if Padiham is not entitled to proceed to compulsory acquisition of minority holdings after the end of the Offer Period under Part 6A.1 of the Corporations Act, it may subsequently become entitled to exercise rights of general compulsory acquisition under Part 6D.2 of the Corporations Act. For example, this may occur as a result of acquisitions of Robust Shares in reliance on the “3% creep” exception in item 9 of section 611 of the Corporations Act. If this opportunity arises, Padiham intends to exercise those rights to the extent it is able to do so.

(b) **General strategic review**

Padiham, through its nominees on the Robust board, would propose that Robust pursue the strategic review referred to in clause 6.2(a) (to the extent appropriate).

Padiham intends, subject to the approval of the board of Robust and to applicable laws, to participate in this review.

(c) **Limitations in giving effect to intentions**

Padiham would only make a decision on the above matters in this section following receipt of appropriate legal and financial advice. Padiham’s intentions must be read as being subject to the legal obligation of Robust directors, including any nominees of Padiham, to have regard to the interests of Robust and all Robust Shareholders.

In particular, if Padiham obtains control (but not 100%) of Robust, Padiham will be a “related party” of Robust within the meaning of Chapter 2E of the Corporations Act and within the meaning of the Listing Rules. Padiham’s ability to implement its intentions would therefore be subject to its obligations and the obligations of Robust, to comply with applicable provisions of the Corporations Act and (provided Robust remains listed) the Listing Rules relating to transactions between related parties.

#### **6.4 Other intentions**

Subject to the matters described above in this section 6 and elsewhere in this Bidder’s Statement, and, in particular, the completion of the strategic review of Robust’s operations, it is the intention of Padiham, on the basis of the facts and information concerning Robust that are known to it and the existing circumstances affecting the assets and operations of Robust as at the date of this Bidder’s Statement, that the business of Robust will be conducted in materially the same manner as at the date of this Bidder’s Statement.

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## **7 Tax considerations**

### **7.1 Introduction**

Sections 7.2 and 7.3 below contain a general description of the Australian income and capital gains tax consequences to Robust Shareholders and Robust Option holders of the acceptance of the Offer. The comments set out below are relevant only to those Robust Shareholders and Robust Option holders who:

1. hold their Robust Shares and Robust Options as capital assets for investment purposes and not for the purposes of speculation or a business of dealing in securities (e.g. as trading stock);
2. are not subject to the Taxation of Financial Arrangements rules;
3. did not acquire their Robust Shares or Robust Options in return for services or as the result of an employee share plan or employee share option plan;
4. are not a bank, insurance company, tax exempt organisation or superannuation fund and dealers in securities; or
5. are not non-residents who currently hold, or have held, at any time Robust Shares or Robust Options through a permanent establishment in Australia.

Robust Shareholders and Robust Option holders who are not resident in Australia for tax purposes should take into account the tax consequences under the laws of their country of residence, as well as under Australian law, of acceptance of the Offer.

The following description of the Australian income tax, capital gains tax and goods and services tax (**GST**) implications of acceptance of the Offer is based upon the Australian law and administrative practice in effect at the date of this Bidder's Statement, but it is not tax advice, it is general in nature and is not intended to be an authoritative or complete statement of the laws applicable to the particular circumstances of every Robust Shareholder or Robust Option holder. Robust Shareholders and Robust Option holders should seek independent professional advice in relation to their own particular circumstances.

### **7.2 Australian resident shareholders**

Acceptance of the Offer will involve the disposal of Robust Shares by a Robust Shareholder by way of transfer to Padiham. This change in the ownership of the Robust Shares will constitute a capital gains tax event for Australian capital gains tax purposes.

A Robust Shareholder who is an Australian resident may make a capital gain or capital loss on the transfer of Robust Shares. A Robust Shareholder will make a capital gain if the capital proceeds from the disposal of the Robust Shares are more than the cost base of those Robust Shares. A Robust Shareholder will make a capital loss if the capital proceeds are less than the reduced cost base of those Robust Shares.

The capital proceeds of the capital gains tax event will be the consideration price of \$0.49 per Share received by the Robust Shareholder in respect of the disposal of the Robust Shares. The cost base of the Robust Shares generally includes their cost of acquisition and any incidental costs of acquisition and disposal that are not deductible to the Robust Shareholder.

An individual, complying superannuation entity or trustee that has held the Robust Shares for at least 12 months should generally be entitled to discount the amount of the capital gain (after application of capital losses) from the disposal of the Robust Shares by 50% in the case of an individual or trust or by 33.33% for a complying superannuation entity.

The CGT discount is not available to companies.

For CGT purposes, Robust Shares acquired on exercise of the Robust Options are acquired on the date the Robust Options are exercised.

Capital gains and capital losses of a taxpayer in a year of income are aggregated to determine whether there is a net capital gain. Any net capital gain is included in assessable income and is subject to income tax. Capital losses may not be deducted against other income for income tax purposes, but may be carried forward to offset against future capital gains.

### **7.3 Non-resident shareholders**

A Robust Shareholder who is not a resident of Australia for income tax purposes is generally not subject to Australian capital gains tax on the disposal of Robust Shares if:

- the shareholder and its associates have not held 10% or more of the issued Robust Shares either at the time of disposal of the Robust Shares or for any continuous 12 month period within the 2 years preceding the disposal; and
- the shareholder does not, and has not, used the Robust Shares at any time in carrying on a business through an Australian permanent establishment.

Robust Shareholders who are not a resident of Australia should seek independent professional advice in relation to their own particular circumstances.

### **7.4 Robust Option holders who exercise their Robust Options and accept the Offer**

For a Robust Option holder who holds his or her Robust Options on capital account, and exercises those Robust Options to receive Robust Shares, no capital gain or loss will arise from the exercise of the Robust Options. The cost base of the shares for CGT purposes will include the amount, if any, paid for the Robust Options, plus the amount paid on the exercise of the Options. The CGT treatment for the Robust Option holder will then be as outlined in 7.2 above.

However, it is important to note that for a Robust Option holder, the 12 month holding period for the discount on the capital gain starts when the Robust Options are exercised and the Robust Shares are received, not when the Robust Options were granted. For this reason, it is unlikely that the CGT discount outlined in 7.2 above will be applicable to gains arising from the disposal of Robust Shares acquired as result of the exercise of Robust Options that are currently on issue.

A Robust Option holder who holds Robust Options issued under the Employee Share Option Plan may have different taxation implications in respect of their Robust Options under the Employee Share Scheme rules.

In any event, all Robust Option holders should seek independent professional advice in relation to their own particular circumstances.

## **7.5 Goods and services tax**

Holders of Robust Shares or Robust Options should not be liable to GST in respect of a disposal or exercise of those Robust Shares or Robust Options.

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## 8 Other material information

### 8.1 Stanhill's Original Offer

On 1 July 2014, Stanhill announced its intention to make an off-market takeover offer for 100% of Robust Shares, at \$0.29 per share. Subsequently, on 18 July 2014, Stanhill announced that it had acquired a relevant interest in 19.9% of Robust at a price of \$0.315 per share and that its proposed offer had been increased to the same price.

The Joint Bidders have now agreed to proceed with the Offer, which is a significantly improved proposal compared with Stanhill's Original Offer. In light of the Offer, Stanhill has also obtained a modification from ASIC under section 655A(1) of the Act modifying section 631 of the Act by deferring the requirement for Stanhill to send offers under Stanhill's Original Offer, pending the outcome of the Offer the subject of this announcement. Assuming the Offer becomes unconditional, the Stanhill's Original Offer will not proceed.

### 8.2 Joint Bid ASIC Relief

The Joint Bidders have obtained an exemption from ASIC under section 655A(1) of the Corporations Act exempting the Joint Bidders from section 606 of the Corporations Act in relation to the acquisition of relevant interests arising from the entry into and performance of the Joint Bidding Agreement. The terms of the ASIC exemption are set out in Annexure A.

The conditions of the ASIC exemption include the following:

- (a) The Joint Bidders must use their best endeavours to have Robust engage an independent expert to prepare a report on whether, in the expert's opinion, the Offer is fair and reasonable to Robust Shareholders not associated with the Bidders;
- (b) The Offer must contain a defeating condition that, during or at the end of the Offer period, the Joint Bidders have received valid acceptances for at least 50.1% of the Robust Shares that the Joint Bidders offer to acquire under the Offer, not being Robust Shares in which the Bidders and their respective associates have a relevant interest in at the beginning of the Offer period, and the bidder's statement in respect of the Offer states that this defeating condition will not be waived;
- (c) The Joint Bidders must each accept any rival bid (whether by takeover bid or scheme of arrangement) for all bid class securities (**Rival Bid**) in respect of all the Robust Shares in which they have a relevant interest within 7 days from the date that all of the following conditions are satisfied in respect of a Rival Bid:
  - (1) the consideration offered under the Rival Bid is more than (or becomes more than) 105% of the value of the consideration offered under the Offer (as assessed by ASIC and notified to the Bidders if the consideration offered under the Rival Bid is other than cash or is a combination of cash and other-than-cash consideration);
  - (2) where the Rival Bid is a takeover bid, it is or has become unconditional except for prescribed occurrence conditions (being

events or circumstances referred to in subsections 652C(1) or (2) of the Act); and

- (3) where the Rival Bid is at takeover bid, the offer period starts before the end of the Offer Period,

unless prior to the expiration of the 7 day period referred to above, the Offer is varied so that the value of the consideration offered under the Offer is at least equal to the value of the consideration offered under the Rival Bid;

- (d) The Joint Bidders must immediately terminate the joint bidding agreement and all the other relevant arrangements between the Joint Bidders and their respective associates in relation to the Offer, if the Offer does not proceed or fails because of a defeating condition that has neither been satisfied nor waived.

### 8.3 Joint Bidding Agreement

On 9 September 2014, the Joint Bidders entered into the Joint Bidding Agreement which sets out the basis on which the Joint Bidders regulate, as between themselves, all matters relating to the conduct of the Offer including the ownership and operation of Robust.

Under the Joint Bidding Agreement:

- (a) **Standstill:** Stanhill and Droxford are prohibited from:

- (1) acquiring a relevant interest in Robust Shares; and/or
- (2) selling, transferring or otherwise disposing of Robust Shares they hold,

other than pursuant to the Offer, or to any entitlement to compulsorily acquire all remaining ordinary shares in ROL, and in order to transfer Droxford's pre-existing shareholding to Padiham. These prohibitions will cease to apply from the time that Padiham has compulsorily acquired all remaining ordinary shares in Robust.

- (b) **Control of Padiham:** Padiham is prohibited from taking certain actions including selling, transferring or otherwise disposing of or granting an interest in its assets.

- (c) **Voting:** At any meeting of Robust:

- (1) Padiham will vote all its Robust Shares in a manner decided by Droxford in consultation with Stanhill; and
- (2) Stanhill and Droxford will vote their Robust shares in respect of matters relating to the Offer in a manner agreed by both parties.

- (d) **Acceptance of the Offer:** Droxford will subject to the Offer becoming unconditional, either (i) accept its Robust Shares into the Offer or (ii) retain its Robust Shares and transfer its Robust Shares to tp2 after the closing of the Offer. Given that tp2 wholly owns Padiham, it will not accept the shares it currently holds into the Offer. If the Offer lapses while still conditional, the parties have agreed to take steps to ensure that Stanhill becomes the 100% owner of tp2 in order to retain ownership of its original 19.9% stake in Robust.

- (e) **Funding:** in respect of the Robust Shares that they do not own, Stanhill and Droxford will fund the acquisition of the remaining 54% of Robust Shares in proportions commensurate with their participation in the Joint Bid and as set out above in section 5; and
- (f) **Management of the bid and making of the Offer:** under the agreement, all decisions relevant to conducting the Offer, including decisions in relation to the bid process, compulsory acquisition, offer price, and any extension to the Offer Period, are to be agreed between Stanhill and Droxford.

#### **8.4 Robust Agreement**

On 23 September 2014, Padiham and Robust entered into the Robust Agreement in relation to the Offer. Under the terms of the agreement, Robust agreed that it will:

- (a) conduct its affairs in the usual and ordinary course consistent with past practice;
- (b) ensure that no prescribed occurrence (as referred to in s 652C of the Corporations Act) occurs in relation to Robust (other than the issue of Robust Shares on the exercise of Robust Options currently on issue);
- (c) use reasonable endeavours to preserve and maintain the value of all its assets, relationships, suppliers, customers and employees; and
- (d) not incur additional capital or exploration expenditure above and beyond that which is currently budgeted.

#### **8.5 Date for determining holders of Robust Shares**

For the purposes of section 633 of the Corporations Act, the date for determining the people to whom information is to be sent under items 6 and 12 of subsection 633(1) is the Register Date.

#### **8.6 Consents**

This Bidder's Statement contains statements made by, or statements said to be based on statements made by Droxford, Stanhill and Link Market Services (each a **Disclosing Party**). Each Disclosing Party has consented to the inclusion of:

- each statement it has made; and
- each statement which is said to be based on a statement it has made,

in the form and context in which the statements appear and neither has withdrawn that consent prior to the lodgement of this Bidder's Statement with ASIC.

This Bidder's Statement includes statements which are made in, or based on statements made in, documents lodged with ASIC or given to ASX. Under the terms of ASIC Class Order 13/521, the parties making those statements are not required to consent to, and have not consented to, inclusion of those statements in this Bidder's Statement.

Any Robust Shareholder who would like to receive a copy of any of those documents, or the relevant parts of the documents containing the statements, may obtain a copy (free of charge) during the Offer Period by writing to Link Market Services at the address referred to on the Acceptance Form.



In addition, as permitted by ASIC Class Order 13/532, this Bidder's Statement may include or be accompanied by certain statements:

- fairly representing a statement by an official person; or
- from a public official document or a published book, journal or comparable publication.

In addition, as permitted by ASIC Class Order 07/429, this Bidder's Statement contains unit price trading data sourced from Bloomberg provided by Bloomberg without its consent.

## **8.7 Other material information**

Except as disclosed elsewhere in this Bidder's Statement, there is no other information that is:

- material to the making of a decision by a Robust Shareholder whether or not to accept the Offer; and
- known to Padiham,

which has not previously been disclosed to Robust Shareholders.

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## 9 The terms and conditions of the Offer

### 9.1 Offer

- (a) Padiham offers to acquire all of Your Robust Shares on and subject to the terms and conditions set out in this section 9 of this Bidder's Statement.

The consideration under the Offer is \$0.49 cash per Robust Share.

Any entitlement to payment of less than 1 cent will be rounded up if \$0.005 and above but will otherwise be rounded down.

- (b) By accepting this Offer, you undertake to transfer to Padiham not only the Robust Shares to which the Offer relates, but also all Rights attached to those Robust Shares (see section 9.5(b)(5) and section 9.6(c)).
- (c) This Offer is being made to each person registered as the holder of Robust Shares in the register of Robust Shareholders at 8am (Melbourne time) on the Register Date. It also extends to:
- (1) holders of securities that come to be holders of Robust Shares during the period from the Register Date to the end of the Offer Period due to the conversion of, or exercise of rights conferred by, such securities and which are on issue as at the Register Date; and
  - (2) any person who becomes registered, or entitled to be registered, as the holder of Your Robust Shares during the Offer Period.
- (d) If, at the time the Offer is made to you, or at any time during the Offer Period, another person is, or is entitled to be, registered as the holder of some or all of Your Robust Shares to which this Offer relates:
- (1) a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to that other person in respect of those Robust Shares;
  - (2) a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to you in respect of any other Robust Shares you hold to which the Offer relates; and
  - (3) this Offer will be deemed to have been withdrawn immediately at that time.
- (e) If at any time during the Offer Period you are registered or entitled to be registered as the holder of one or more parcels of Robust Shares as trustee or nominee for, or otherwise on account of, another person, you may accept as if a separate and distinct offer on the same terms and conditions as this Offer had been made in relation to each of those parcels and any parcel you hold in your own right. To validly accept the Offer for each parcel, you must comply with the procedure in subsection 653B(3) of the Corporations Act. If, for the purposes of complying with that procedure, you require additional copies of this Bidder's Statement and/or the Acceptance Form, or if you have any questions or queries on the Offer or how to fill out the Acceptance Form, please email Padiham at [padihamresources@stanhillcapital.com](mailto:padihamresources@stanhillcapital.com).

- (f) If Your Robust Shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee you should contact that nominee for assistance in accepting the Offer.
- (g) The Offer is dated 30 September 2014.

## **9.2 Offer Period**

- (a) Unless withdrawn, the Offer will remain open for acceptance during the period commencing on the date of this Offer (being 30 September 2014) and ending at 7.00pm (Melbourne time) on the later of:
  - (1) 30 October 2014; or
  - (2) any date to which the Offer Period is extended.
- (b) Padiham reserves the right, exercisable in its sole discretion, to extend the Offer Period in accordance with the Corporations Act.
- (c) If, within the last seven days of the Offer Period, either of the following events occurs:
  - (1) the Offer is varied to improve the consideration offered; or
  - (2) Padiham's voting power in Robust increases to more than 50%,
 then the Offer Period will be automatically extended so that it ends 14 days after the relevant event in accordance with section 624(2) of the Corporations Act.

## **9.3 How to accept this Offer**

- (a) **General**
  - (1) Subject to section 9.1(d) and section 9.1(e), you may accept this Offer only for all of Your Robust Shares.
  - (2) You may accept this Offer at any time during the Offer Period.
- (b) **Shares held in your name on Robust's issuer sponsored subregister (your SRN starts with an "I")**

To accept this Offer for Robust Shares held in your name on Robust's issuer sponsored sub-register (in which case your SRN will commence with "I"), you must:

  - (1) complete and sign the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form; and
  - (2) ensure that the Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period, at the address shown on the Acceptance Form.
- (c) **Shares held in your name in a CHESS Holding (your HIN starts with an "X")**
  - (1) To accept this Offer for Shares held in a CHESS Holding (in which case your HIN will commence with "X") you should:
    - (A) instruct your Controlling Participant (this is normally your broker) to initiate acceptance of this Offer on your behalf in

accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period; or

(B) if you are a Participant, initiate acceptance of this Offer in accordance with rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.

(2) Alternatively, to accept this Offer for Robust Shares held in your name in a CHESS Holding (in which case your HIN will commence with “X”), you may sign and complete the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form and ensure that it (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period, at the address shown on the Acceptance Form in sufficient time for it to be acted upon by your Controlling Participant.

(3) You must comply with any other applicable ASX Settlement Operating Rules.

(d) **Shares of which you are entitled to be registered as holder**

To accept this Offer for Robust Shares which are not held in your name, but of which you are entitled to be registered as holder, you must:

- (1) complete and sign the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form; and
- (2) ensure that the Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period, the address shown on the Acceptance Form.

(e) **Acceptance Form and other documents**

- (1) The Acceptance Form forms part of the Offer.
- (2) If your Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is returned by post, for your acceptance to be valid you must ensure that they are posted or delivered in sufficient time for them to be received by Padiham at the address shown on the Acceptance Form before the end of the Offer Period.
- (3) When using the Acceptance Form to accept this Offer in respect of Shares in a CHESS Holding, you must ensure that the Acceptance Form (and any documents required by the terms of this Offer and the instructions on the Acceptance Form) are received by Padiham in time for Padiham to instruct your Controlling Participant to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.
- (4) The postage and transmission of the Acceptance Form and other documents is at your own risk.

#### **9.4 Validity of acceptances**

- (a) Subject to this section 9.4, your acceptance of the Offer will not be valid unless it is made in accordance with the procedures set out in section 9.3.
- (b) Padiham will determine, in its sole discretion, all questions as to the form of documents, eligibility to accept the Offer and time of receipt of an acceptance of the Offer. Padiham is not required to communicate with you prior to or after making this determination. The determination of Padiham will be final and binding on all parties.
- (c) Notwithstanding section 9.3(b), 9.3(c), 9.3(d) and 9.3(e), Padiham may, in its sole discretion, at any time and without further communication to you, deem any Acceptance Form it receives to be a valid acceptance in respect of Your Robust Shares, even if a requirement for acceptance has not been complied with but the payment of the consideration in accordance with the Offer may be delayed until any irregularity has been resolved or waived and any other documents required to procure registration have been received by Padiham.
- (d) Where you have satisfied the requirements for acceptance in respect of only some of Your Robust Shares, Padiham may, in its sole discretion, regard the Offer to be accepted in respect of those of Your Robust Shares but not the remainder.
- (e) Padiham will pay the consideration to you in accordance with clause 9.6, in respect of any part of an acceptance determined by Padiham to be valid.

#### **9.5 The effect of acceptance**

- (a) Once you have accepted this Offer, you will be unable to revoke your acceptance, the contract resulting from your acceptance will be binding on you and you will be unable to withdraw Your Robust Shares from the Offer or otherwise dispose of Your Robust Shares, except as follows:
  - (1) if, by the end of the Offer Period, the condition in section 9.7 has not all been fulfilled or freed, this Offer and the contract resulting from your acceptance will automatically terminate and Your Robust Shares will be returned to you; or
  - (2) if the Offer Period is extended for more than one month and the obligations of Padiham to pay the consideration are postponed for more than one month and, at the time, this Offer is subject the condition in section 9.7, you may be able to withdraw your acceptance and Your Robust Shares in accordance with section 650E of the Corporations Act. A notice will be sent to you at the time explaining your rights in this regard.
- (b) By signing and returning the Acceptance Form, or otherwise accepting this Offer pursuant to section 9.3, you will be deemed to have:
  - (1) accepted this Offer (and any variation of it) in respect of, and, subject to the condition to this Offer in section 9.7 being fulfilled or freed, agreed to transfer to Padiham, Your Robust Shares (even if the number of Shares specified on the Acceptance Form differs from the number of Your Robust Shares), subject to section 9.1(d) and section 9.1(e);

- (2) represented and warranted to Padiham, as a fundamental condition going to the root of the contract resulting from your acceptance, that at the time of acceptance, and the time the transfer of Your Robust Shares (including any rights) to Padiham is registered, that all Your Robust Shares are and will be free from all mortgages, charges, liens, encumbrances and adverse interests of any nature (whether legal or otherwise) and free from restrictions on transfer of any nature (whether legal or otherwise), that you have full power and capacity to accept this Offer and to sell and transfer the legal and beneficial ownership in Your Robust Shares (including any rights) to Padiham, and that you have paid to Robust all amounts which at the time of acceptance have fallen due for payment to Robust in respect of Your Robust Shares;
- (3) irrevocably authorised Padiham (and any director, secretary, nominee or agent of Padiham) to alter the Acceptance Form on your behalf by inserting correct details relating to Your Robust Shares, filling in any blanks remaining on the form and rectifying any errors or omissions as may be considered necessary by Padiham to make it an effective acceptance of this Offer or to enable registration of Your Robust Shares in the name of Padiham;
- (4) if you signed the Acceptance Form in respect of Robust Shares which are held in a CHESS Holding, irrevocably authorised Padiham (or any director, secretary, nominee or agent of Padiham) to:
  - (A) instruct your Controlling Participant to initiate acceptance of this Offer in respect of Your Robust Shares in accordance with Rule 14.14 of the ASX Settlement Operating Rules; and
  - (B) give any other instructions in relation to Your Robust Shares to your Controlling Participant, as determined by Padiham acting in its own interests as a beneficial owner and intended registered holder of those Robust Shares;
- (5) irrevocably authorised and directed Robust to pay to Padiham, or to account to Padiham for, all Rights in respect of Your Robust Shares, subject, if this Offer is withdrawn, to Padiham accounting to you for any such Rights received by Padiham;
- (6) irrevocably authorised Padiham to notify Robust on your behalf that your place of address for the purpose of serving notices upon you in respect of Your Robust Shares is the address specified by Padiham in the notification;
- (7) with effect from the time and date on which the condition to this Offer in section 9.7 has been fulfilled or freed:
  - (A) irrevocably appointed Padiham (and any director, secretary or nominee of Padiham) severally from time to time as your true and lawful attorney to exercise all your powers and rights in relation to Your Robust Shares, including (without limitation) powers and rights to requisition, convene, attend

and vote in person, by proxy or by body corporate representative, at all general meetings and all court-convened meetings of Robust and to request Robust to register, in the name of Padiham or its nominee, Your Robust Shares, as appropriate, with full power of substitution (such power of attorney, being coupled with an interest, being irrevocable); and

- (B) agreed not to attend or vote in person, by proxy or by body corporate representative at any general meeting or any court-convened meeting of Robust or to exercise or purport to exercise any of the powers and rights conferred on Padiham (and its directors, secretaries and nominees) in section 9.5(b)(7)(A);
- (8) agreed that in exercising the powers and rights conferred by the powers of attorney granted under section 9.5(b)(7)(A), the attorney will be entitled to act in the interests of Padiham as the beneficial owner and intended registered holder of Your Robust Shares;
- (9) agreed to do all such acts, matters and things that Padiham may require to give effect to the matters the subject of this section 9.5(b) (including the execution of a written form of proxy to the same effect as this section 9.5(b) which complies in all respects with the requirements of the constitution of Robust) if requested by Padiham;
- (10) agreed to indemnify Padiham in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your Holder Identification Number or SRN or in consequence of the transfer of Your Robust Shares to Padiham being registered by Robust without production of your Holder Identification Number or your SRN for Your Robust Shares;
- (11) represented and warranted to Padiham that, unless you have notified it in accordance with section 9.1(e), Your Robust Shares do not consist of separate parcels of Shares;
- (12) irrevocably authorised Padiham (and any nominee) to transmit a message in accordance with Rule 14.17 of the ASX Settlement Operating Rules to transfer Your Robust Shares to Padiham's Takeover Transferee Holding, regardless of whether it has paid the consideration due to you under this Offer;
- (13) irrevocably authorised Padiham (and any nominee) to initiate a transfer of Your Robust Shares into Padiham's name, regardless of whether it has paid the consideration due to you under this Offer; and
- (14) agreed, subject to the condition of this Offer in section 9.7 being fulfilled or freed, to execute all such documents, transfers and assurances, and do all such acts, matters and things that Padiham may consider necessary or desirable to convey Your Robust Shares registered in your name and Rights to Padiham.

- (c) The undertakings and authorities referred to in section 9.5(b) will remain in force after you receive the consideration for Your Robust Shares and after Padiham becomes registered as the holder of Your Robust Shares.

## **9.6 Payment of consideration**

- (a) Subject to sections 9.4(b) and 9.6 and the Corporations Act, Padiham will pay the consideration due to you for Your Robust Shares on or before the earlier of:
  - (1) 1 month after the date of your acceptance or, if this Offer is subject to a defeating condition when you accept this Offer, within 1 month after this Offer becomes unconditional; and
  - (2) 21 days after the end of the Offer Period.
- (b) Where the Acceptance Form requires an additional document to be delivered with your Acceptance Form (such as a power of attorney):
  - (1) if that document is given with your Acceptance Form, Padiham will pay the consideration in accordance with section 9.6(a);
  - (2) if that document is given after your Acceptance Form and before the end of the Offer Period while this Offer is subject to a defeating condition, Padiham will provide the consideration due to you on or before the earlier of:
    - (A) 1 month after this Offer becomes unconditional; and
    - (B) 21 days after the end of the Offer Period;
  - (3) if that document is given after your Acceptance Form and before the end of the Offer Period while this Offer is not subject to a defeating condition, Padiham will pay the consideration due to you on or before the earlier of:
    - (A) 1 month after that document is given; and
    - (B) 21 days after the end of the Offer Period; and
  - (4) if that document is given after the end of the Offer Period, and the Offer is not subject to a defeating condition, Padiham will pay the consideration within 21 days after that document is given.
- (c) If you accept this Offer, Padiham is entitled to all Rights in respect of Your Robust Shares. Padiham may require you to provide all documents necessary to vest title to those Rights in Padiham, or otherwise to give it the benefit or value of those Rights. If you do not give those documents to Padiham, or if you have received the benefit of those Rights, Padiham will deduct from the consideration otherwise due to you the amount (or value, as reasonably assessed by Padiham) of those Rights
- (d) Payment of any cash amount to which you are entitled under the Offer will be paid to you by cheque in Australian currency. Cheques will be posted to you at your risk by ordinary mail (or in the case of overseas shareholders, by airmail) at the address last provided to Padiham by Robust.
- (e) If at the time you accept the Offer any of the following:
  - (1) Banking (Foreign) Exchange Regulations 1959 (Cth);



- (2) Charter of the United Nations (Dealing with Assets) Regulations 2008 (Cth);
- (3) Autonomous Sanctions Act 2011 (Cth); or
- (4) any other law of Australia,

require that an authority, clearance or approval of the Reserve Bank of Australia, the Department of Foreign Affairs and Trade, the Australian Taxation Office or any other government authority be obtained before you receive any consideration for Your Robust Shares, or would make it unlawful for Padiham to provide any consideration to you for Your Robust Shares, you will not be entitled to receive any consideration for Your Robust Shares until all requisite authorities, clearances or approvals have been received by Padiham.

- (f) The Offer consideration you are paid will be reduced by the amount or value of any Rights attaching to Your Robust Shares, on or after the Announcement Date, which Padiham does not receive.

### **9.7 Condition of this Offer**

Subject to section 9.8, the completion of this Offer, and any contract that results from an acceptance of this Offer, are subject to the fulfilment of the condition set out below:

- (a) **Minimum acceptance**

Before the end of the Offer Period, Padiham has received valid acceptances by holders of a minimum of 50.1% of the Robust Shares in which the Joint Bidders do not have a relevant interest at the beginning of the Offer Period.

### **9.8 Nature and benefit of the condition**

- (a) The condition in section 9.7 is a condition subsequent. The non-fulfilment of the condition subsequent does not, until the end of the Offer Period, prevent a contract to sell Your Robust Shares from arising, but entitles Padiham by written notice to you, to rescind the contract resulting from your acceptance of this Offer.
- (b) Subject to the Corporations Act, Padiham alone is entitled to the benefit of the condition in section 9.7, or to rely on any non-fulfilment of any of them.

### **9.9 Non-waivable condition**

The condition in section 9.7(a) may not be waived by Padiham without making an application to ASIC for relief.

If, at the end of the Offer Period, the condition in section 9.7 has not been fulfilled all contracts resulting from the acceptance of the Offer will be automatically void.

### **9.10 Notice on status of the condition**

The date for giving the notice on the status of the condition required by subsection 630(1) of the Corporations Act is 23 October 2014 (subject to extension in accordance with subsection 630(2) if the Offer Period is extended).

### **9.11 Withdrawal of this Offer**

- (a) This Offer may be withdrawn with the consent in writing of ASIC, which consent may be subject to conditions. If ASIC gives such consent, Padiham will give notice of the withdrawal to ASX and to Robust and will comply with any other conditions imposed by ASIC.
- (b) If, at the time this Offer is withdrawn, the condition in section 9.7 have been freed or satisfied, all contracts arising from acceptance of the Offer before it was withdrawn will remain enforceable.
- (c) If, at the time this Offer is withdrawn, the Offer remains subject to the condition in section 9.7, all contracts arising from its acceptance will become void (whether or not the events referred to in the condition have occurred).
- (d) A withdrawal pursuant to section 9.11 will be deemed to take effect:
  - (1) if the withdrawal is not subject to conditions imposed by ASIC, on and after the date on which that consent in writing is given by ASIC; or
  - (2) if the withdrawal is subject to conditions imposed by ASIC, on and after the date on which those conditions are satisfied.

### **9.12 Variation of this Offer**

Padiham may vary this Offer in accordance with the Corporations Act.

### **9.13 No stamp duty or brokerage**

- (a) Padiham will pay any stamp duty on the transfer of Your Robust Shares to it.
- (b) As long as Your Robust Shares are registered in your name in an Issuer Sponsored Holding and you deliver them directly to Padiham, you will not incur any brokerage charges in connection with your acceptance of this Offer.

### **9.14 Governing laws**

This Offer and any contract that results from your acceptance of it are to be governed by the laws in force in Victoria, Australia.

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## 10 Definitions and interpretation

### 10.1 Definitions

In this Bidder's Statement and in the Acceptance Form unless the context otherwise appears, the following terms have the meanings shown below:

<b>Acceptance Form</b>	the acceptance form enclosed with this Bidder's Statement.
<b>AIM</b>	the Alternative Investment Market of the London Stock Exchange.
<b>Announcement Date</b>	9 September 2014, being the date of the announcement of the Offer.
<b>ASIC</b>	Australian Securities and Investments Commission.
<b>ASX Settlement</b>	ASX Settlement Pty Ltd (ABN 49 008 504 532).
<b>ASX Settlement Operating Rules</b>	the operating rules of ASX Settlement.
<b>ASX</b>	ASX Limited or the Australian Securities Exchange operated by ASX Limited, as the context requires.
<b>ASX Listing Rules</b>	the listing rules of the ASX.
<b>Bidder's Statement</b>	this document, being the statement of Padiham under Part 6.5 Division 2 of the Corporations Act relating to the Offer.
<b>CGT</b>	capital gains tax.
<b>CHESS Holding</b>	a number of shares which are registered on the Robust share register being a register administered by the ASX and which records uncertificated holdings of Robust Shares.
<b>Controlling Participant</b>	in relation to Your Robust Shares, has the same meaning as in the ASX Settlement Operating Rules (normally your broker).
<b>Corporations Act</b>	<i>Corporations Act</i> 2001 (Cth).
<b>Droxford</b>	Droxford International Ltd, a company incorporated in the British Virgin Islands.
<b>HIN</b>	has the same meaning as in the ASX Settlement Operating Rules.
<b>Issuer Sponsored Holding</b>	a holding of Robust Shares on the Robust issuer sponsored subregister.
<b>Joint Bidders</b>	Droxford and Stanhill.
<b>Joint Bidding Agreement</b>	the Joint Bidding Agreement between Droxford and Stanhill dated 9 September 2014.
<b>Listing Rules</b>	the Official Listing Rules of ASX, as amended and waived by ASX from time to time.

<b>Offer</b>	the offer for Robust Shares under the terms and conditions contained in section 9 of this Bidder's Statement.
<b>Offer Period</b>	the period during which the Offer will remain open for acceptance in accordance with section 9.2 of this Bidder's Statement.
<b>Padiham</b>	Padiham Resources Pty Ltd ACN 601 323 871.
<b>Participant</b>	an entity admitted to participate in the Clearing House Electronic Sub-register system under Rule 4.3.1 and 4.4.1 of the ASX Settlement Operating Rules.
<b>Register Date</b>	the date set by Padiham under subsection 633(2) of the Corporations Act, being 26 September 2014.
<b>Rights</b>	all accreditations, rights or benefits of whatever kind attaching or arising from Robust Shares directly or indirectly at or after the Announcement Date (including, but not limited to, all dividends and all rights to receive them or rights to receive or subscribe for shares, notes, bonds, options or other securities declared, paid or issued by Robust or any of its subsidiaries).
<b>Robust</b>	Robust Resources ACN 122 238 813.
<b>Robust Agreement</b>	the Robust Agreement between Padiham and Robust dated 23 September 2014
<b>Robust's Assets</b>	assets owned or controlled by Robust, including but not limited to, fixed assets, exploration tenements, licences and licence applications, intellectual properties such as information and database relating to Robust's exploration activities.
<b>Robust Group</b>	Robust and its subsidiaries.
<b>Robust Options</b>	options to subscribe for Robust Shares described in section 4.2.
<b>Robust Shareholder</b>	a holder of Robust Shares as at the Register Date.
<b>Robust Share</b>	a fully paid ordinary share in the capital of Robust.
<b>SRN</b>	has the same meaning as in the ASX Settlement Operating Rules.
<b>Stanhill</b>	Stanhill Capital Partners Holdings Ltd, a company incorporated in the British Virgin Islands.
<b>Takeover Bid</b>	the off-market takeover bid constituted by the dispatch of the Offers in accordance with the Corporations Act.
<b>Target's Statement</b>	the statement of Robust (including attachments) to be made by Robust under Part 6.5 Division 3 of the Corporations Act.
<b>Techpacific</b>	Techpacific Capital Partners Ltd, a company incorporated in the British Virgin Islands.

<b>Total Funding Amount</b>	has the meaning given to it in section 5.2.
<b>tp2</b>	tp2 Limited, a company incorporated in the British Virgin Islands.
<b>Your Robust Shares</b>	<p>subject to section 9.1(d) and section 9.1(e), the Robust Shares:</p> <p>(a) in respect of which you are registered, or entitled to be registered, as holder in the register of shareholders of Robust at 7.00pm Melbourne time) on the Register Date; or</p> <p>(b) to which you are able to give good title at the time you accept this Offer during the Offer Period.</p>

## 10.2 Interpretation

In this Bidder's Statement and in the Acceptance Form, unless the context otherwise appears:

- (1) words and phrases have the same meaning (if any) given to them in the Corporations Act;
- (2) words importing a gender include any gender;
- (3) words importing the singular include the plural and vice versa;
- (4) an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;
- (5) a reference to a clause, annexure and schedule is a reference to a clause of and an annexure and schedule to this Bidder's Statement as relevant;
- (6) a reference to any statute, regulation, proclamation, ordinance or by-law includes all statutes, regulations, proclamations, ordinances, or by-laws amending, varying, consolidating or replacing it and a reference to a statute includes all regulations, proclamations, ordinances and by-laws issued under that statute;
- (7) headings and bold type are for convenience only and do not affect the interpretation of this Bidder's Statement;
- (8) a reference to time is a reference to time in Melbourne, Australia;
- (9) a reference to writing includes facsimile transmissions;
- (10) a reference to dollars, \$, cents, ¢ and currency is a reference to the lawful currency of the Commonwealth of Australia; and
- (11) a reference to US\$ is a reference to the lawful currency of the United States.

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## 11 Approval of Bidder's Statement

This Bidder's Statement has been approved by a resolution passed by the directors of Stanhill.

Dated: 26 September 2014

Signed

for and on behalf of **Padiham Resources Pty Ltd**

by



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Waseem Shiraz  
Director

## **ANNEXURE A: ASIC Relief Instrument**

**Australian Securities and Investments Commission  
Corporations Act 2001 — Subsection 655A(1) – Revocation, Exemption and  
Declaration**

**Enabling legislation**

1. The Australian Securities and Investments Commission (*ASIC*) makes this instrument under subsection 655A(1) of the Corporations Act 2001 (the *Act*).

**Title**

2. This instrument is ASIC Instrument [14/0916].

**Commencement**

3. This instrument commences on 9 September 2014.

**Exemption**

4. ASIC exempts the following persons from section 606 of the Act:
  - (a) Stanhill Capital Partners Holdings Limited, a body incorporated under the laws of the British Virgin Islands (*Stanhill*);
  - (b) tp2 Limited, a body incorporated under the laws of the British Virgin Islands (*tp2*); and
  - (c) Droxford International Ltd, a body incorporated under the laws of the British Virgin Islands (*Droxford*).

**Declarations**

5. Chapter 6 of the Act applies to Stanhill, tp2, Droxford, Padiham Resources Pty Ltd ACN 601 323 871 (*Padiham*) and Techpacific Capital Partners Ltd, a body incorporated under the laws of the British Virgin Islands (*Techpacific*), as if item 9 of the table in section 611 were modified or varied by inserting at the end of the item:
 

“In determining a person's voting power in a company 6 months before an acquisition for the purposes of paragraph (b), disregard any relevant interests a person or their associate had in voting shares in the company at that time that was acquired as a result of, or in connection with, entry into an agreement of the kind referred to in paragraph (b) of the definition of *displacing proposal* in subsection 631(5).”
6. Chapter 6 of the Act applies to Stanhill, as if section 631 were modified or varied as follows:
  - (a) omit subsection (1), substitute:



“(1) Subject to subsection (1AA), a person contravenes this subsection if:

- (a) either alone or with other persons, the person publicly proposes to make a takeover bid for securities in a company; and
- (b) the person does not make offers for the securities under a takeover bid within:
  - (i) if the proposal is a displaced proposal—the earlier of:
    - (A) 3 weeks after the first public announcement that offers under a takeover bid referred to in a displacing proposal made by the person will not be made, or will not be made on the terms and conditions specified in the displacing proposal; or
    - (B) 3 weeks after the termination or variation of any relevant agreement in accordance with which a bid referred to in a displacing proposal made by the person is made or proposed to be made; or
    - (C) 3 weeks after the offer period for a takeover bid made in accordance with a displacing proposal made by the person ends; or
  - (ii) otherwise—2 months after the proposal.

The terms and conditions of the bid must be the same as or not substantially less favourable than those in the public proposal.”;

(b) after subsection (1), insert:

- “(1AA) A person does not contravene subsection (1) in relation to a displaced proposal if, under a takeover bid made in accordance with a displacing proposal by the person in relation to the company:
- (a) the bidder has received acceptances in respect of 50.1% or more of the bid class securities in which none of:
    - (i) the bidder;
    - (ii) each person who has a relevant interest in any securities of the bidder; or
    - (iii) any associate of a person referred to in subparagraphs (i) and (ii);
 had a relevant interest at the commencement of the offer period; and
  - (b) all defeating conditions applying to the offers and takeover contracts have been satisfied or freed,

prior to the time offers must be made under subparagraph (1)(b)(i).”; and

(c) after subsection (3), insert:

“(4) For the purposes of this section, a public proposal to make a takeover bid for securities in a company is a ***displaced proposal*** if, and only if, the person who made the proposal or an associate of the person has, either alone or with other persons, made a displacing proposal within 2 months and 9 days after the proposal.

(5) In this section:

***displaced proposal*** has the meaning given by subsection (4).

***displacing proposal*** means a public proposal, to which subsection (1) applies, that is made:

- (a) either alone or with other persons, by a person, or an associate of a person, who within the 2 months and 9 days before the proposal made an earlier public proposal, to which subsection (1) applies to make a takeover bid for securities in the company;
- (b) in accordance with an agreement that satisfies each of the following:
  - (i) the agreement is between two or more persons who will each acquire relevant interests in the securities of the company in respect of which acceptances are received under the proposed takeover bid; and
  - (ii) ASIC has exempted the acquisition of relevant interests under the agreement from the provisions of this Chapter under section 655A; and
- (c) within one business day of the exemption referred to in subparagraph (b)(ii).”

#### **Where this instrument applies**

7. The exemption in paragraph 4 of this instrument applies to an acquisition of a relevant interest in ordinary shares in Robust Resources Ltd ACN 122 238 813 (***Robust***) arising solely as a result of the entry by Stanhill, tp2 and Droxford (***Joint Bidders***) into a joint bidding agreement dated on or about 9 September 2014 (***Agreement***) for the purposes of the Joint Bidders jointly making, or causing to be made, an off-market takeover bid for all of the fully paid ordinary shares in Robust (***Joint Bid***), where:

- (a) the terms of the Agreement are the same, in all material respects, as those set out in the draft agreement provided to ASIC by email at 4.25 pm Australian Eastern Standard Time (***AEST***) on 9 September 2014; and

- (b) immediately prior to entering into the Agreement:
  - (i) Stanhill has a relevant interest in 19.9% of the issued voting shares in Robust; and
  - (ii) Droxford has a relevant interest in 26.7% of the issued voting shares in Robust.
- 8. The declaration in paragraph 5 of this instrument applies to an acquisition of a relevant interest in securities in Robust by Stanhill, tp2, Droxford, Padiham or Techpacific (together, ***Joint Bid Associates***) within 6 months of the latter of:
  - (a) the close of the offer under the Joint Bid;
  - (b) the date the Agreement terminates; and
  - (c) the date that any relevant agreement that affects a Joint Bid Associate's voting power in Robust and relates to the Joint Bid ceases to affect the Joint Bid Associate's voting power.
- 9. The declaration in paragraph 6 of this instrument applies in relation to the public proposal by Stanhill on 1 July 2014 to make a takeover bid for all of the ordinary shares in Robust where by 7:30pm Australian Eastern Standard Time on 10 September 2014, Stanhill has given a notice to ASX Limited ACN 008 624 691 (***ASX***) for release on the ASX Company Announcements Platform, that explains the need for, and effect of, the relief contained in this instrument.

### Conditions

- 10. The exemption in paragraph 4 of this instrument is subject to the following conditions:
  - (a) the Joint Bidders must notify ASIC of, and on request provide ASIC with:
    - (i) any amendment to the Agreement; and
    - (ii) any other relevant agreement that affects a Joint Bid Associate's voting power in Robust and relates to the Joint Bid;
  - (b) offers made under the Joint Bid must be subject to a defeating condition that the bidder receives acceptances in respect of 50.1% or more of the bid class securities in which neither the bidder, a Joint Bidder nor any associate of a Joint Bidder had a relevant interest at the commencement of the offer period;
  - (c) the bidder's statement in respect of the Joint Bid must state that the defeating condition described in subparagraph 10(b) of this instrument will not be waived;
  - (d) the Joint Bidders must use their best endeavours to have Robust engage an independent expert to prepare a report on whether, in the expert's opinion, the

Joint Bid is fair and reasonable to Robust shareholders not associated with the Joint Bidders or their respective associates;

- (e) if, after the announcement of the Joint Bid, and before the end of the offer period for the Joint Bid, a person who is not an associate of either the bidder or a Joint Bidder makes or varies offers under a takeover bid (*Rival Bid*), and the Rival Bid satisfies the following conditions:

- (i) the offers under the bid are:
  - (A) offers to buy all of the securities in the bid class for the Joint Bid; and
  - (B) free of any defeating conditions that do not relate only to the happening of an event or circumstance referred to in subsection 652C(1) or (2) of the Act; and
- (ii) the consideration that is offered under the bid is more than 105% of the value of consideration offered under the Joint Bid (as assessed by ASIC and notified to the Joint Bidders where the consideration offered under either the Joint Bid or the Rival Bid involves non-cash consideration),

the Joint Bidders must, within 7 days of the conditions set out in sub-paragraphs 10(e)(i) and 10(e)(ii) of this instrument being satisfied, ensure that:

- (iii) the consideration offered under the Joint Bid is increased to a value that is equal to, or higher than, the consideration offered under the Rival Bid; and
- (iv) if the consideration offered under either the Joint Bid or the Rival Bid involves non-cash consideration—ASIC has assessed the increased consideration under the Joint Bid and has notified the Joint Bidders that it is satisfied that the consideration offered is of equal or higher value to that offered under the Rival Bid,

unless the offers under the Rival Bid in respect of all of the Robust shares in which the Joint Bidders have a relevant interest have been accepted by that time.

- (f) if, after the announcement of the Joint Bid, and before the end of the offer period for the Joint Bid, the target of the Joint Bid enters into an agreement with someone else who is not an associate of the bidder or the Joint Bidders to propose a compromise or arrangement under Part 5.1 (*Rival Scheme*) which, if approved, will result in a person acquiring a relevant interest in all of the securities in the target in exchange for the person providing consideration to target holders that is more than 105% of the value of the highest consideration offered under the Joint Bid (as assessed by ASIC and notified to the Joint Bidders where the consideration offered under either the Joint Bid or the Rival Scheme involves non-cash consideration) the Joint

Bidders must not, and must ensure that any associate does not, cast a vote against any resolution necessary to approve the Rival Scheme.

- (g) the Joint Bidders must take all reasonable steps to ensure that any bid class securities that may be required to be accepted into a rival bid under the condition in subparagraph 10(e) of this instrument, or in respect of which the voting restriction in subparagraph 10(f) of this instrument may apply, remain at all times within the power of the Joint Bidders to dispose of, or vote in accordance with those conditions;
- (h) the Joint Bidders must immediately terminate the Agreement and all other relevant agreements entered into by any of the Joint Bidders or their respective associates that affects a Joint Bid Associate's voting power in Robust and relates to the Joint Bid, if the Joint Bid does not proceed or fails because of a defeating condition that has been neither satisfied nor waived;
- (i) if any person that is not a Joint Bid Associate (*New Associate*) becomes an associate of any Joint Bid Associate during the period from the date of this instrument until the date each Joint Bid Associate ceases to have voting power in Robust that is affected by any relevant agreement relating to the Joint Bid, each Joint Bid Associate that is an associate of the New Associate must take all reasonable steps to ensure that the New Associate does not acquire relevant interests in securities of Robust in reliance on item 9 of the table in section 611 that the New Associate would not be able to acquire if each of the Joint Bid Associates' voting power in Robust had, at all relevant times, excluded any voting power arising as a result of, or in connection with any relevant agreement relating to the Joint Bid;
- (j) the Joint Bidders must incorporate the conditions described in subparagraphs 10(b) to 10(f) of this instrument into any agreement, arrangement or understanding entered in connection with the Joint Bid; and
- (k) the Joint Bidders must ensure that offers are made under the Joint Bid by no later than 30 September 2014.

### Revocation

11. ASIC Instrument [14/0908] is revoked effective 11 September 2014.

Dated this 9th day of September 2014



Signed by Tanya Tang  
as a delegate of the Australian Securities and Investments Commission