

**9 September 2014**

## **ASX and Media Announcement**

Joint Takeover Offer for Robust Resources Limited at \$0.49 per share

Droxford International Limited (**'Droxford'**) and Stanhill Capital Partners Holdings Limited and its affiliates (**'Stanhill'**) (together the **'Bidders'**) are pleased to announce a joint off-market takeover offer by Droxford and Stanhill for Robust Resources Limited (**'Robust'**) at \$0.49 cash per Robust share (the **'Offer'**).

The Offer is for all of the issued shares in Robust. As per their announcement on 15 August 2014, the Bidders understand that the directors of Robust intend to recommend that shareholders accept the Offer in the absence of a superior proposal.

The Bidders currently have voting power in approximately 46.6% of Robust shares. The Offer will be made by a jointly held bidding vehicle, Padiham Resources Pty Ltd (**'Padiham'**). Padiham is indirectly owned 75% by Droxford and 25% by Stanhill.

The proposed takeover bid announced by Stanhill on 1 July 2014 has been suspended, pending the outcome of the Offer which is the subject of this announcement.

### **Offer Highlights**

The Offer is a 100% cash offer which provides certainty of value to all Robust shareholders.

The offer price of \$0.49 is at a significant premium to the current trading prices of Robust shares and values Robust at approximately \$95,731,119 on a fully diluted basis. The Offer represents:

- premiums of 111%, 79% and 74% over the volume weighted average price of Robust over the past 3, 6 and 12 months respectively prior to Stanhill's announcement of its intention to make a takeover offer on 1 July 2014; and
- a 13% premium to Robust's most recent closing price of \$0.435 per share.

The Offer provides Robust shareholders with the opportunity to exit their investment for a certain cash value where there is otherwise relatively limited trading liquidity in Robust shares.

### **Conditions**

The Offer is subject only to a condition that acceptances are received in respect of at least 50.1% of the shares in which the Bidders do not have a relevant interest. Under the terms of the Offer and the exemption granted by ASIC (see further details below), this condition cannot be waived by the Bidders or Padiham.

### **ASIC relief**

The Bidders have received an exemption from the Australian Securities and Investments Commission to make a joint bid. A summary of the terms are set out in Annexure A to this announcement.

## **Next Steps and Timetable**

Padiham's Bidder's Statement, which provides details of the Offer (including reasons why Robust shareholders should accept the Offer) will be sent to Robust shareholders in due course. The Bidder's Statement will be followed by Robust's Target's Statement setting out the reasons for the Robust Board's recommendation, the independent expert's report and other information material to Robust shareholders.

## **Further Information**

For further details on this announcement, please contact:

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## ANNEXURE A

### KEY TERMS OF ASIC JOINT BID RELIEF

The Bidders have obtained an exemption from ASIC under section 655A(1) of the Corporations Act (the 'Act') exempting Stanhill and Droxford from contravening section 606 of the Act in relation to the acquisition of relevant interests arising from the entry into, and performance of its joint bidding agreement, subject to the following key conditions:

- a) The 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 Bidders have received valid acceptances for at least 50.1% of the Robust Shares that the 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 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:
  - i. 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);
  - ii. 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
  - iii. where the Rival Bid is a 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 Bidders must immediately terminate the joint bidding agreement and all the other relevant arrangements between the 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.

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 its proposed takeover bid announced by Stanhill on 1 July 2014 (the '**Original Stanhill Offer**'), pending the outcome of the Offer the subject of this announcement. Assuming the Offer becomes unconditional, the Original Stanhill Offer will not proceed.