



9 May 2012

STRICTLY PRIVATE AND CONFIDENTIAL

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UPDATE ON MONGOLIAN ACQUISITIONS

The Board of Robe Australia Limited (**ASX: ROB**) (**Robe** or **the Company**) wishes to provide the following update of the activities of Robe subsequent to the lodgment of the Interim Finance Report and Appendix 4D for the half year ended 31 December 2011.

(i) Mongolian Resources Asset

Robe appointed Green Exploration and Mining Services Pty Ltd (**GEMS**) to undertake an Independent Geologist Review of the TG River Licence, which is the subject of an option exercised on 6 December 2011. Whilst the formal report has not been received, indicative discussions indicate that a significant amount of further work is required in order to establish a development plan for the TG River Licence. As a consequence, the Board is in further discussions with the Vendor of the Option in relation to not only finalization of the transaction relating to the TG River Licence, but also in relation to the acquisition of further licences.

As a consequence of these additional negotiations and further due diligence being required, the Company does not expect to hold a General Meeting before July 2012 to ratify the execution of the existing TG River Licence acquisition and such other transactions as may develop.

(ii) Capital Raising

The Company has been in discussion with its underwriters and expects to raise approximately \$2 million from a fully underwritten Capital Raising in order to both meet the requirements of Chapters 1 and 2 of the Listing Rules and provide sufficient funds to undertake further feasibility studies in relation to the proposed transactions outlined above.

The Company expects to provide eligible Shareholders with a priority offer in respect to the proposed Capital Raising. Existing option holders, who have no inherent right to participate in the priority offer, will be notified of the Raising and given time to exercise their options if they so choose.

The timetable in respect to the Capital Raising, issuance of the Prospectus with ASIC and General Meeting of Shareholders will be driven by the finalization of the abovementioned transactions in respect to the TG River Licence and other prospective licences that are currently being negotiated.

(iii) Board Structure

The Board has had preliminary discussions in relation to proposed changes to the Board structure as a consequence of completion of the abovementioned transactions; however, these are preliminary in nature only and no definitive decision has been made in respect to an appointment at this time.

Yours faithfully

Peter Bolitho
Company Secretary