# DECEMBER 2010 QUARTERLY REPORT



### ABOUT ROBUST RESOURCES

Robust Resources is a mineral explorer focused on gold-sliver and base metals on Romang Island in Indonesia's richly endowed Banda magmatic arc. With experienced management who have a track record of major discoveries, Robust is exploring highly prospective ground previously explored by Billiton in the late 1990's. Robust holds an interest in five mineral titles totalling 25,000ha covering the entire Romang Island.

Robust also holds an interest in five tenements with a total area of 739 km$^2$ in the Lachlan Fold Belt of NSW. Four of these areas are adjacent to or on the same structural trend as major gold producers, and are underlain by rocks of similar age and lithology. The fifth tenement is a previous gold and base metal producer situated in an untested 27km$^2$ epithermal envelope.

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**John Levings, Technical Director**
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**Andrew Wilson, Director**

## SUCCESSFUL COMPLETION OF $30 MILLION PLACEMENT TO ACCELERATE EXPLORATION ON ROMANG ISLAND

### KEY POINTS

- **Strong assay results continue to confirm and extend mineralisation at Batu Mas Prospect**
- **Drillhole LWD106 returns third strongest[1] precious metal intersection and strongest polymetallic intersection to date**
  - **51 metres[2] @ 2.90 g/t Au Equivalent[3] (1.51 g/t Au and 84 g/t Ag) from surface; including 13 metres @ 5.49 g/t Au Equivalent (2.95 g/t Au and 152 g/t Ag) from 14 metres**
  - **And 130 metres @ 2.6% combined Zn+Pb+Cu from 46 metres; including 16 metres @ 1.0% Cu from 46 metres**
- **Completion of 150 line-kilometre 3D IP-Resistivity survey at the Lakuwahi Project**
  - **Major new anomalies outlined for further drill testing**
- **Sulphide Metallurgical Tests return exceptional recoveries of Base and Precious Metals**
- **Successful completion of A$30 million placement to domestic and global institutional investors**
- **Additional two diamond drill rigs acquired to progress resource delineation work at Lakuwahi**
- **Exploration programme advances at North Romang project with IP Resistivity survey commencing in reporting period**

## SAFETY and ENVIRONMENT

The Company had no lost time injuries. There were no environmental incidents during the quarter.

## OPERATIONAL UPDATE

**Corporate Activity**

On 22 October 2010, Robust Resources limited ("Robust" or "the Company") announced that it had successfully placed 18,181,820 new ordinary shares at A$1.65 per share to new and existing institutional shareholders to raise A$30 million. Investec Bank (Australia) Limited was lead manager for the Placement in Australia, the UK and Europe, Helmsec Global Capital in Asia, and Casimir Capital of New York responsible for the North American component. The capital raising was the largest to date for Robust, and continued the Company's track record of consistently raising capital at prices well above previous raisings.

The placement was made in two tranches with approximately 9.0 million ordinary shares being issued in tranche 1 pursuant to the Company's 15% capacity under ASX Listing Rule 7.1, and the balance of approximately 9.2 million ordinary shares being issued in tranche 2, subject to shareholder approval. Robust shareholders subsequently approved the placement at an Extraordinary General Meeting held on 08 December 2010. Following the placement and shareholder approval Robust has a total of 84,144,097 ordinary shares on issue.

## ANNOUNCEMENTS

On 9 November 2010, Robust reported that it had completed the first phase, 150 line-kilometre, 3D IP-resistivity survey over the Lakuwahi Project area on Romang Island. Final processing of the data revealed a major new resistivity anomaly located over the Batu Jagung prospect area. In keeping with the general style of the Lakuwahi mineralisation previously defined at both Batu Mas and Batu Hitam, the precious metals were found to be underlain by thick zones of base metal mineralisation.

The discovery of the resistivity anomaly significantly enhanced the potential of Batu Jagung, which was previously scout drilled by Billiton in 1990 and Robust in 2010. The Batu Jagung anomaly alone is more than 60% the size of the entire Batu Mas-Batu Hitam anomaly and so far, only five drill holes have been completed. Both the Batu Mas-Batu Hitam and the new Batu Jagung resistivity targets remain open and further 3D IP-Resistivity surveys are planned in CY 2011.

On 30 November 2010, Robust announced that it has received initial results from the metallurgical testwork programme the Company had been conducting since June 2010. The aim of the programme was to demonstrate potential for the economic exploitation of the polymetallic sulphides occurring throughout the Lakuwahi project area. A key component of this testwork was the sulphide flotation methodology, which concentrates the valuable minerals into a commercial product.

The results from the sulphide flotation tests returned excellent recoveries of all base metals and precious metals demonstrating significant assay upgrades. In these bulk concentrate tests, **gold recoveries average 84.3%, silver 93.0%, zinc 97.2%, lead 91.1% and copper 94.6%**. Further testwork is continuing and is designed to produce upgraded, differentiated, flotation concentrates, which have the potential to be superior products for market.

On 14 December 2010, the Company reported assay results from two diamond drillholes at the Batu Mas prospects within the Lakuwahi Project area on Romang Island, Indonesia. Drillhole LWD106 was collared on the same line of section and 30 metres north of Robust's record drill hole LWD051 which previously intersected 57.5 m @ 6.75 g/t Au equivalent. LWD106 intersected strong gold – silver mineralisation from surface to 51 metres downhole, confirming the extension of the mineralisation previously obtained in LWD051. Directly beneath the precious metal zone, the hole intersected 130 metres of polymetallic mineralisation to the end of the hole at a depth of 176 metres.

This polymetallic zone was the strongest so far encountered during Robust's drilling campaign on Romang Island and included within it a **16-metre zone at 1% copper.**

# ROMANG ISLAND, INDONESIA



**Exploration Program**
During the reporting period Robust was pleased to announce continued strong assay results from drilling at the Batu Mas prospect within the Lakuwahi Project Area on Romang Island, Indonesia.

Significant assay results were received for diamond drillhole LWD106 which intersected 51 metres @ 2.90 g/t Au Equivalent precious metal mineralisation downhole from surface. LWD106 was collared on the same line of section and 30 metres to the north of previously reported LWD051 (57.5m @ 6.75 g/t Au Equivalent), and has now confirmed the extension of mineralisation obtained in that hole. Directly below the precious metal zone in LWD106, polymetallic mineralisation was intersected for a total 130 metres @ 2.6% combined Zn+Pb+Cu to the end of the hole at a depth of 176 metres. This **polymetallic zone is the strongest so far encountered** during Robust's drilling campaign and confirms the objective the company holds for defining a significant polymetallic mineral resource at the Lakuwahi Project.

Complementing the strong drill results was the definition of new drill targets after the successful conclusion, and analysis, of the first phase, 150 line-kilometre, 3D IP-Resistivity survey over the Lakuwahi Project area. The final processing of this data has revealed a **major new resistivity anomaly located over the Batu Jagung prospect area**. Further to this major new discovery are the previously reported geophysical anomalies extending away from areas of known mineralisation at the Batu Mas and Batu Hitam prospects, these areas are in the process of being drilled by Robust's owner-operated diamond drill rigs.

Robust also received the initial results from metallurgical testwork the company had been conducting over the past six months. The results from the sulphide floatation tests on the polymetallic mineralisation at the Lakuwahi Project returned excellent recoveries of all base metals and precious metals demonstrating significant assay upgrades. In these bulk concentrate tests average **recoveries were; gold 84.3%, silver 93.0%, zinc 97.2%, lead 91.1% and copper 94.6%.**

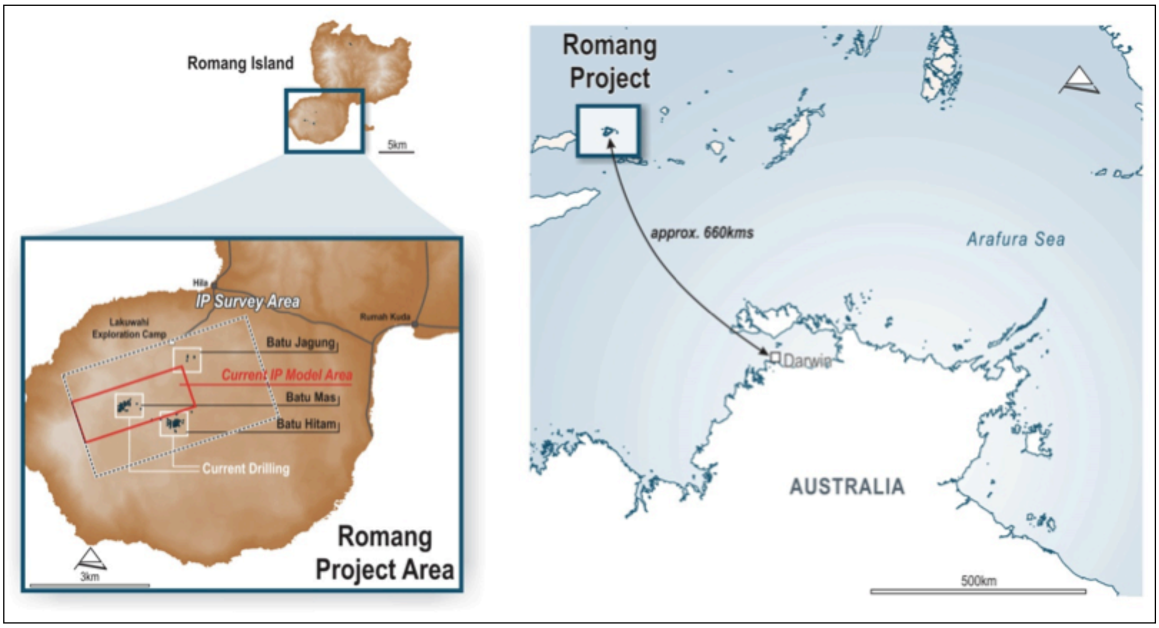


Figure 1: Location of Romang Island in Eastern Indonesia

## Drilling

Drilling at Romang has been ongoing and during the quarter a further 11 holes and 1,824.5 metres of HQ/NQ diamond drilling was completed at the Batu Mas and Batu Hitam prospect areas.

Robust recently shipped another two rigs to Romang Island for its in-house drill fleet, bringing the total fleet to six owner-operated drill rigs. These rigs will soon be active in helping to achieve Robust's stated aims of exploration discovery and the delivery of a maiden JORC mineral resource from the Lakuwahi Project.

## Drilling Results

Robust was pleased to announce the following received assay results from drilling during the quarter:

| Hole Number | Easting WGS84 | Northing WGS84 | Azi mag | inclin -ation | From (m) | To (m) | Interval (m) | Au Equiv (g/t) | Au (g/t) | Ag (g/t) | Cu (%) | Pb (%) | Zn (%) | Cu+ Pb+ Zn (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| LWD087 | 317666 | 9157493 | 178 | -60 | 1 | 49 | 48 | 1.78 | 1.35 | 26 | 0.09 | 0.67 | 0.66 | 1.42 |
| | | | | incl. | 21 | 28 | 7 | 4.21 | 2.97 | 74 | 0.08 | 1.00 | 0.02 | 1.10 |
| | | | | | 25 | 70 | 45 | 1.27 | 0.65 | 37 | 0.13 | 0.91 | 1.20 | 2.24 |
| LWD093 | 318558 | 9157242 | 358 | -60 | 8 | 21 | 13 | 2.60 | 2.20 | 24 | | | | |
| | | | | | 30 | 34 | 4 | 0.67 | 0.27 | 25 | 0.28 | 2.43 | 0.28 | 2.99 |
| | | | | | 81 | 133 | 52 | 0.49 | 0.35 | 9 | 0.17 | 2.08 | 1.88 | 4.14 |
| | | | | incl. | 121 | 126 | 5 | 1.09 | 0.31 | 47 | 1.00 | 15.3 | 9.77 | 26.07 |
| | | | | | 192 | 193 | 1 | 9.18 | 0.08 | 546 | 0.75 | 0.13 | 0.42 | 1.30 |
| LWD106 | 317631 | 9157557 | 178 | -60 | 0 | 51 | 51 | 2.90 | 1.51 | 84 | 0.16 | 0.97 | 0.06 | 1.19 |
| | | | | incl. | 14 | 27 | 13 | 5.49 | 2.95 | 152 | 0.03 | 1.48 | 0.05 | 1.56 |
| | | | | | 46 | 176 | 130 | 0.30 | 0.16 | 8 | 0.20 | 1.11 | 1.32 | 2.64 |
| | | | | incl. | 46 | 62 | 16 | 0.65 | 0.36 | 18 | 0.95 | 1.69 | 0.50 | 3.15 |
| | | | | and | 71 | 73 | 2 | 0.67 | 0.23 | 27 | 0.22 | 7.83 | 12.26 | 20.30 |
| | | | | and | 125 | 128 | 3 | 0.81 | 0.23 | 35 | 0.37 | 6.60 | 9.43 | 16.40 |
| | | | | and | 166 | 169 | 3 | 0.52 | 0.07 | 27 | 0.22 | 3.65 | 4.26 | 8.13 |

**NB:** Datum is WGS84 Zone 52
Blank = No Significant Intercept
All thickness are down-hole thicknesses

**Table 1: December 2010 Quarter Drilling on the Lakuwahi Project**

It should be noted that drill hole LWD093 is located in the corridor between Batu Hitam and Batu Mas and was the first hole to be drilled using specific guidance from the new 3D IP - Resistivity modelling, this mineralisation is currently open to the west and drilling continues to follow the geophysical trend. The Company is currently awaiting results from a further 21 holes drilled and expects to announce these results in the coming weeks.

## Geophysics

The successful conclusion, and analysis, of the first phase, 150 line-kilometre, 3D IP-Resistivity survey over the Lakuwahi Project area was reported to ASX in November. The interpretation and synthesis of the geophysical model is still being progressed by the Company but the final processing of this data has revealed a **major new resistivity anomaly located over the Batu Jagung prospect area** (Figure 2).

The Batu Jagung anomaly alone is more than 60% the size of the entire Batu Mas-Batu Hitam anomaly and so far only five drill holes have been completed (compared to nearly 100 holes at the Batu Mas-Batu Hitam anomaly).

In keeping with the general style of the Lakuwahi mineralisation previously defined at both Batu Mas and Batu Hitam, where the precious metals are underlain by thick zones of base metal mineralisation, and so represents another encouraging polymetallic exploration target for Robust.

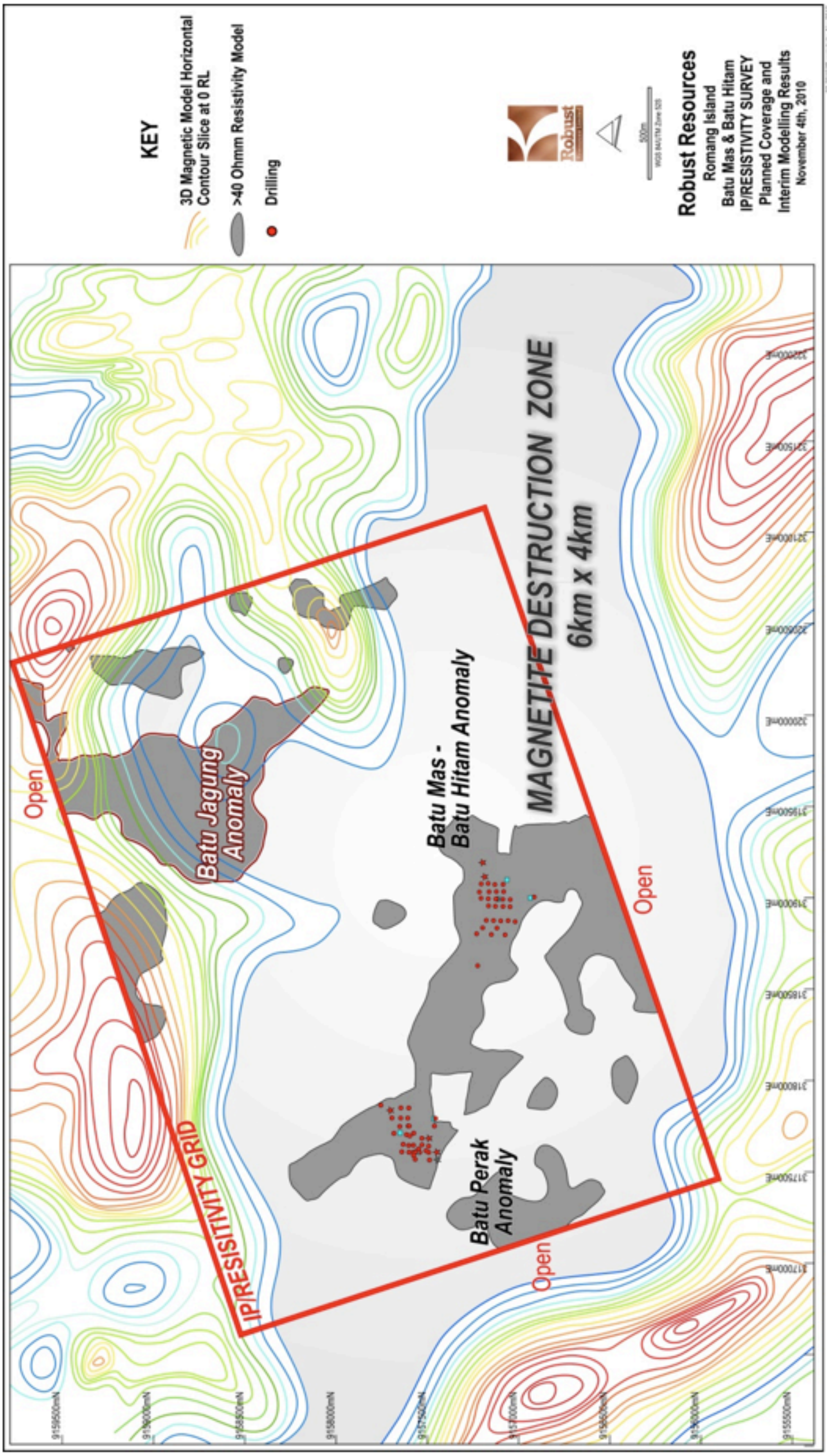


**Figure 2: New Batu Jagung Resistivity anomaly is 60% of the size of the Batu Mas-Batu Hitam zone as presently defined.**

As mentioned the interpretation of the modelling, and synthesis of the geophysical model with the current geological model, is continuing in-house with the help of the Company's consultant geophysicists. The resistivity component of the survey has already shown its usefulness in the positive results from hole LWD093 discussed above. All of the current drilling is now being guided by the resistivity model results, in addition to the other normal inputs.

The induced polarisation (IP) component of the model is still being evaluated. Some strong anomalies exist in areas that have no drilling information. The best anomalies occur beneath limestone cover and demonstrate highly prospective drill targets.

### Metallurgical Testwork Results

The Company was pleased to announce in November the initial results received from metallurgical testwork that had been ongoing for the previous six months. The aim of the programme is to demonstrate potential for the economic exploitation of the polymetallic sulphides occurring throughout the Lakuwahi Project area. A key component of this testwork is the sulphide flotation methodology, which concentrates the valuable minerals into a commercial product.

The initial results from the sulphide floatation tests on the polymetallic mineralisation at the Lakuwahi Project returned excellent recoveries of all base metals and precious metals demonstrating significant assay upgrades. In these bulk concentrate tests average **recoveries were; gold 84.3%, silver 93.0%, zinc 97.2%, lead 91.1% and copper 94.6%.** Results from this metallurgical testwork can be seen in Table 2 below.

The testwork to date has shown the mineralisation to be highly amenable to floatation and this is an extremely positive result for the Project. Further testwork designed to produce upgraded, differentiated floatation concentrates will continue through the upcoming reporting periods as the Company continues to delineate precious metal-bearing polymetallic sulphide resources at the Lakuwahi Project.

| **Average Head Grade** | | | | | |
|---|---|---|---|---|---|
| Metal units | Zn % | Pb % | Cu % | Ag g/t | Au g/t |
| Head Grades | 1.73 | 1.55 | 0.11 | 17 | 0.31 |
| | | | | | |
| **Average Bulk Sulphide Concentrate Grades and Recoveries** | | | | | |
| Metal units | Zn % | Pb % | Cu % | Ag g/t | Au g/t |
| Concentrate Grades | 11.4 | 9.6 | 0.7 | 110 | 1.8 |
| Recovery % | 97.2 | 91.1 | 94.6 | 93.0 | 84.3 |

Table 2: Initial Roughing Sulphide Flotation Test Results

Figure 3: Flotation test of Romang Island polymetallic sulphide composite sample

**Planned Exploration for the next reporting period**

The Company continues to extend its highly successful 3D Induced Polarisation (IP) / Resistivity Survey to the North Romang Project area to assist in the delineation of future targets. A large soil-sampling programme of approximately 7,000 samples is also continuing at the Lakuwahi Project. This programme will be used in conjunction with geological mapping of the area, and geophysical results, to generate the next series of targets for future drilling at the Lakuwahi Project.

Drilling is set to continue with six owner-operated diamond core drill rigs at Lakuwahi during the next quarter.

## NSW TENEMENTS

**Summary**

- Remaining (Year 3) expenditure on four NSW ELs is $250,000 for the 12 months to May 16th 2011. Ausmon Resources Limited (ASX: AOA) will then own 85%. *Renewals on three ELs in May 2011 will require a 50% area reduction.*
- New EL 7563 (85% Ausmon, 15% Robust; adjacent Pooraka EL 6413) incurs additional expenditure of $35,000pa for 2 years from 17th June 2010. To date aeromagnetic/ geological trends have been plotted as a precursor to targeted ground magnetic and bedrock sampling in early 2011.
- Any significant bedrock anomalies detected on Pooraka ELs 6413 and 7563 will be RC percussion tested in 2011 and 2012.
- Cobar EL 6415 (Tindarey) will be relinquished soon. Wind up and compliance work (drilling rehabilitation and relinquishment reports) was undertaken. Relinquishment report due before May 2011.
- Mt Barrow EL 6416. New targets checked out. Farm out possibility--concept to deep drill beneath Glengarry gossans to check for a hidden porphyry or epithermal Cu-Au resources. Meanwhile other targets are also being examined.
- Cumnock EL 6417. Several anomalies on the Mt Catombal and Gumble segments require RC percussion drilling before May 16th, 2011.

### Cobar ELs 7564 and 6413 at Pooraka

EL7564 of 30 graticular units was granted in June 2010. This and Pooraka EL 6413 remain highly prospective for Au, and Pb-Zn-Ag deposits, with untested targets, and gold anomalies/ intersections, close to, and on strike from, Mt Boppy. The main target is the Mt Boppy/ Hardwicks/ Langbein /McGuiness gold trend. Exploration in progress consists of filtering of magnetic data, ground magnetics, and bedrock sampling of selected targets (planned for early 2011). Targets, if warranted, will then be RC percussion drilled.

### Cumnock EL 6417

As noted previously, work on the Gumble segment (prospective for skarn and skarn-related deposits) highlighted four significant Cu and/or Au anomalies, including two promising drill targets, each located about 1km from Delaneys Dyke mineralisation.

Also, work on the Mt Catombal segment highlighted two strong Cu-Au anomalies designated "Turmer's Anomaly" and "Lawrence's Anomaly". Those areas are prospective for Cadia-type epithermal copper-gold deposits associated with hydrothermal alteration. These anomalies will be drilled before May 16th 2011.

### Bauloora EL 6414 (100% Robust)

As noted previously, fieldwork undertaken in the September Quarter greatly enhanced the prospectivity of high-level gold veins near Mee Mar (Au up to 39.1 g/t, and Ag up to 267 g/t). The Robust Board is presently assessing farm-in opportunities.

## RESPONSIBILITY FOR EXPLORATION RESULTS STATEMENTS

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on data complied by John Levings BSc, who is a Member of The Australasian Institute of Mining and Metallurgy and who has more than ten years experience in the field of activity being reported on. Mr Levings is a director of the Company. Mr Levings has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Levings consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

## CORPORATE

### Cash and Funding Position

At 31 December 2010, Robust had $30.3 million in cash and no debt. The Company considers that it is fully funded to complete the current exploration projects on all tenements.

# CORPORATE DIRECTORY

### Board of Directors

| | |
|---|---|
| David King | Chairman |
| Gary Lewis | Managing Director |
| John Levings | Technical Director |
| Shane Sadleir | Non-Executive Director |
| Andrew Wilson | Non-Executive Director |

### Company Secretary

Ian Mitchell

### Issued Share Capital

Robust Resources has 84.1 million ordinary shares currently on issue.

### Quarterly Share Price Activity

| | High | Low | Last |
|---|---|---|---|
| Mar 2007 | $0.26 | $0.16 | $0.25 |
| Jun 2007 | $0.35 | $0.185 | $0.21 |
| Sep 2007 | $0.20 | $0.115 | $0.19 |
| Dec 2007 | $0.21 | $0.135 | $0.175 |
| Mar 2008 | $0.215 | $0.15 | $0.20 |
| Jun 2008 | $0.25 | $0.16 | $0.24 |
| Sep 2008 | $0.24 | $0.15 | $0.18 |
| Dec 2008 | $0.20 | $0.10 | $0.10 |
| Mar 2009 | $0.34 | $0.125 | $0.285 |
| Jun 2009 | $0.805 | $0.275 | $0.675 |
| Sep 2009 | $0.82 | $0.525 | $0.675 |
| Dec 2009 | $2.46 | $0.605 | $2.10 |
| Mar 2010 | $2.62 | $1.43 | $2.12 |
| Jun 2010 | $2.29 | $1.355 | $1.39 |
| Sep 2010 | $1.93 | $1.305 | $1.93 |
| Dec 2010 | $2.19 | $1.38 | $1.73 |

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*Notes*
*It is the opinion of Robust Resources Limited that all of the minerals included in the metal equivalents calculation have a reasonable potential to be recovered. For further reference please see the metallurgical recovery testwork results released in announcements to ASX on the 3rd and 24th June 2009.*

*[1] Strongest is defined by the sum of the length-weighted gold equivalent over the entire length of the drillhole, for example 20 gram-metres / tonne gold equivalent equates to 10 metres at 2 g/t Au equivalent. [2]All thicknesses are down-hole drilled thicknesses. [3] Gold Equivalent = gold assay + (silver assay / 60). Where the number 60 represents the ratio where 60 g/t Ag = 1g/t Au. .This ratio was calculated from the five year average prices of gold and silver prices from 2005 to 30th June 2010 London market PM fix (average Gold price is USD $781.23 and average Silver price is USD $13.02).*