

Open Letter to Robex Shareholders

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QUEBEC CITY, QUEBEC--(Marketwired - Nov 4, 2014) - On October 9, 2014, [Robex Resources Inc.](#) (TSX VENTURE:RBX)(FRANKFURT:RB4) informed the market and their shareholders of the suspension of operations at the Nampala mine for an undetermined amount of time.

This information was essential. Robex considers that the element of trust comes with greater transparency which is also, a legal obligation.

This communication does not mean that the situation is hopeless, far from it; even if there is an inherent risk to any company that started with unpredictable risk.

What is the situation?

Following the commissioning of all of the sections of the plant, we found that one of the current sections would not achieve full capacity for the Nampala mine profitability. We came to this conclusion after going although successfully, through the various sections with some difficulties which resulted in delays in regards to the initial projections and budget.

Up until now, the various obstacles have always eventually found solutions through the pugnacity of management, executives, employees and contractors of the company in Quebec, Nampala and Bamako. Thus, the operating costs for the pit and the operations of the plant have shown a very low cost price easily offsetting the decline in the price of gold since the beginning of the project.

We would like to remind you that the equipment purchases and their choices were made by the previous management team.

Originally, the initial feasibility studies evaluated the investment at approximately 54 million Canadian dollars for a maximum production of 5400 tons / day.

A small clarification, almost all of the equipment is purchased in US dollars or euros; the decline in the Canadian dollar relative to these other two currencies currently caused an extra de facto cost of about 20%.

The project, including the selection of equipments and technical options prepared by the previous management team, estimated an investment of about 12 million Canadian dollars, which is revalued at 25 million Canadian dollars in order to maintain operations. But these choices and technical options have been proven to be wrong and ultimately inadequate. Part of the selected material can only handle a limited production of 1,500 tons / day, but thanks to the efforts made reached 2,800 tons / day. Despite this performance it is still inadequate given the limited performance of our elution system.

Indeed, the main problem arises from the slow and low performance of the current elution system which allows the recovery of gold from the carbon and which could only be detected after the commissioning of the entire plant after 3 months of operation; in September 2014. The choice of this system had been validated by an experienced Canadian metallurgist in liaison with the supplier of this equipment.

Continuing to operate the mine under these conditions could lead to a negative return.

The current action plan

Several immediate actions have been taken. The first step was to minimize the monthly cash disbursement by interrupting production. Another step was to establish a dialogue with our employees, suppliers and shareholders. One of the primary objectives is to reduce spending and debt as much as possible.

Robex's management is working hard to finalize an action plan that includes updating the business model based on the report of an independent expert, namely the engineering firm of Soutex. This plan will provide the definition and quantification of the operations to be carried out in order to get past the current crisis.

The original plant project was in several phases and Robex had planned to expand the facilities by disbursing and completing them with the cash generated by the production of gold.

It is now necessary to replace and complete additions of equipments so as to go toward a production of 5500 tons / day.

The financial and technical analysis carried out show that this goal of improving the volume and effectiveness of treatment can be achieved and that the mine would be extremely profitable. It is therefore necessary not to say vital to quickly find the funds to replace the anticipated investments that were planned for later, and which would have in any case resulted in a temporary shutdown of the installations.

The plan to end the crisis

We believe, relying on the report of an independent technical expertise, that with the investments that are described below, the Nampala mine could reach a treatment volume of 5,500 tons / day, with an optimal recovery rate of gold, generating between 45 and 50 thousand ounces of gold per year ... or about more than one and a half tons of gold every year!

This is a very profitable situation allowing the financing of Robex's growth in the future.

While finding new capital is not easy in the light of the state of the mining market conditions, the situation is not insurmountable. In addition, the mining heritage of the company consisting of their licenses and its explorations is an additional element to reinforce the confidence of investors and lenders.

Here is the list of investments:

- Change of the elution system;
- Addition of CIL tanks;
- Complementary wells to increase water supply;
- Changes to the feed system of the sludge trap;
- Repurchase of gasoil filtration and tanks;
- Increasing the capacity of settling;
- Addition of a grinding circuit;
- Engineering and metallurgical testing;

Robex's teams have worked taking into account the suppliers projected delays. Nothing will prevent from doing better with hard work and a little luck, to reduce delays and resume production as quickly as possible. Moreover, Robex will have an independent expert to verify and follow all of the work and the restart.

The Cohen Group, who has supported the development of the mine in recent months, has confirmed its intention to "not leave the ship" and after stating that they did not take advantage of this difficult period to sell or acquire any shares, they specify that they do not have the habit of taking advantage of company's difficulties to obtain any advantages.

The Cohen Group indicated that in the event that new capital was found from current or future shareholders, that they would help support Robex at least in proportion of their participation by at least three possible ways:

1. the conversion of their debenture;
2. the conversion of their current account;
3. And an additional capital contribution with the other shareholders to show their support and confidence in the project.

Robex's management observed the decline in the share price and notes that this decline is largely the result of sales of shares in a low trading volume which amplified the decline of the title.

The message Robex wishes to convey to its shareholders is essentially that Robex needs the help from all to get through this, that the path to success is defined, and the known elements can seriously provide confidence, that nothing is lost and that the business model shows that the new capital is a realistic goal for a largely promising project. Management hopes to soon establish the parameters of a future funding to support Robex to achieve the profitability that is due.

This funding should represent a minimum of 15 million US dollars and should be enough to order, install and restart the plant with a nominal capacity; this would represent a minimum in order to achieve the objective of 5400 tonnes per day.

In conclusion

Robex reserves a warm welcome to all shareholders or lenders who will understand the ambition and realism of this project.

They will have more incentive to do so, if this operation takes place at an attractive and reasonable exercise price, that the Board of Directors with the prior approval of the TSX and the assistance of his advisors, could fix. In order to reduce the debt burden and interest charges the Cohen group could consider an anticipated conversion of the debenture and the whole or part of Georges Cohen current account; all being subject to the TSX and board of directors. The combined actions of these operations would bring the capital required, remove a debt burden and clean the balance sheet thus ensuring a restart of operations under better conditions.

We thank our shareholders, for your support.

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