FASTBRICK ROBOTICS LIMITED

APPENDIX 4E
&
AUDITED FINANCIAL REPORT
YEAR ENDED 30 JUNE 2018

(previous corresponding period being the year ended 30 June 2017)

Please find attached Appendix 4E and the audited financial accounts as required pursuant to ASX Listing Rules.

Please note that this report has been prepared based upon audited financial information for the year ended 30 June 2018.

APPENDIX 4E

Audited Financial Report to the Australian Securities Exchange

Name of Entity	Fastbrick Robotics Limited
ABN	58 090 000 276
Financial Year Ended	30 June 2018
Previous Corresponding Reporting Period	30 June 2017

Results for Announcement to the Market

	$	Percentage increase / (decrease) over previous corresponding period
Revenue from Ordinary activities	535,486	207%
Profit / (loss) from ordinary activities after tax attributable to members	(7,115,679)	277%
Net profit / (loss) for the period attributable to members	(7,115,679)	277%

Dividends (distributions)	**Amount per security**	**Franked amount per security**
Final Dividend	nil	n/a
Interim Dividend	nil	n/a

Record date for determining entitlements to the dividends (if any)	n/a

Brief explanation of any of the figures reported above necessary to enable the figures to be understood:

The directors do not intend to declare a dividend as no profit was made during the year ended 30th June 2018. No dividends were paid during the financial year.

Dividends

Date the dividend is payable	n/a
Record date to determine entitlement to the dividend	n/a
Amount per security	n/a
Total Dividend	Nil
Amount per security of foreign sourced dividend or distribution	n/a
Details of any dividend reinvestment plans in operation	None
The last date for receipt of an election notice for participation in any dividend reinvestment plans	n/a

Net Tangible Asset Backing

	Current Period	Previous Corresponding Period
Net tangible asset backing per ordinary security (cents per share)	2.72	1.19

Other Significant Information Needed by an Investor to Make an Informed Assessment of the Entity's Financial Performance and Financial Position

Commentary on the Results for the Period

Fastbrick Robotics Limited ('FBR') made significant strides in the Hadrian X programme during the financial year, culminating in the completion of mechanical assembly of the Hadrian X in June 2018. At that time, this was the most significant milestone in the Company's history, and represented a major de-risking of the Hadrian X programme.

The programme then entered the Testing & Commissioning Phase, where each of the individual modules and the functionality of the Hadrian X undergoes testing. The Hadrian X remains on track to complete its first build of a 3-bedroom, 2-bathroom structure known as Build1 in the second half of the 2018 calendar year.

In July 2017, FBR announced it had entered into a Memorandum of Understanding ('MOU') with Caterpillar Inc. ('Caterpillar') to discuss and develop a potential framework for collaboration regarding the development, manufacturing, sales and services of FBR's robotic bricklaying technology, the Hadrian X. The MOU had an initial term of 12 months, which was extended subsequent to the end of the period in order to allow FBR sufficient

time to demonstrate the capability of the Hadrian X. In parallel, FBR also announced that Caterpillar would be granted a new option to replace the original option, with a higher total value of US$10 million and a higher exercise price of $0.24, which was subsequently approved by shareholders on 29 August 2018.

The Company also announced it had signed a Memorandum of Understanding with the Kingdom of Saudi Arabia's Ministry of Housing, contemplating the construction of a minimum of 50,000 new home units in the Kingdom of Saudi Arabia by 2022. It is anticipated that approximately 100 Hadrian X construction robots would be required to complete this objective.

In June 2018, FBR announced it had entered into a Strategic Collaboration Agreement ('SCA') with GP Vivienda to discuss pilot testing programmes for the Hadrian X in Mexico, as well as opportunities for future applications of the Company's core Dynamic Stabilisation Technology, or DST™. The SCA between FBR and GP Vivienda extends for two years and in addition to the above contemplates commercial, corporate and investment opportunities, knowledge sharing, mutual business development opportunities, and joint technology or business process development opportunities.

During the 2018 financial year EY-Parthenon was appointed as FBR's global strategic advisor to assist the Company to better understand its target markets and assess the overall market opportunity for Hadrian X. In April 2018, FBR announced it had completed the first phase of its global market study, with analysis indicating a stock of approximately 140,000 to 150,000 Hadrian X construction robots would be required to build all low-rise buildings in 2018. FBR has set a minimum initial five year target of 2% of the global addressable market for the Hadrian X.

The Company also significantly strengthened its leadership team. Mark Sheridan was appointed to the position of General Manager of Operations, and was then promoted to Chief Operating Officer (COO), with the prior COO Marcus Gracey moving into the role of Chief Corporate Development Officer to focus on FBR's international expansion. Aidan Flynn was appointed to the position of Chief Financial Officer and Company Secretary. Jonathan Lawe Davies was appointed as Chief IP Counsel and Steve Pierz was appointed to the role of Chief Innovation Officer. FBR also established an Advisory Committee to provide the Company with guidance, advice and networking assistance and appointed Curtis Rodgers and Peter Scott as the two initial members.

Following the end of the financial year, FBR also refreshed its Board, with Mr Richard Grellman AM named Non-Executive Chairman following the retirement of Ms Shannon Robinson from the Board, and Ms Nancy Milne OAM and Mr Andrew Bloore joining as Non-Executive Directors following the retirement of Mr Gabriel Chiappini.

In November 2017, the Company advised it had completed a $35 million placement to international and domestic institutional investors.

The loss for the 12 months to 30 June 2018 has increased to $7,115,679 from the prior period loss of $2,567,107. This was primarily due to an increase in procurement and staff costs as the Hadrian X programme drew closer to demonstration stage. The Company maintains an excellent financial position at the end of the period of $21,956,657 in cash and $8,164,930 in receivables.

Returns to shareholders including distributions and buy backs:

n/a

Significant features of operating performance: n/a
The results of segments that are significant to an understanding of the business as a whole: n/a

Discussion of trends in performance: n/a
Any other factor which has affected the results in the period or which are likely to affect results in the future, including those where the effect could not be quantified: n/a

Entities sold during the last financial year

Name of Entity	Date Control Lost	Details
n/a	n/a	n/a

Investments in Associates and Joint Ventures

Name	**% Holding**	**Contribution to Profits / (Loss)**	
		2018	**2017**
	n/a	n/a	n/a

Audit/Review Status

This report is based on accounts to which one of the following applies: (Mark with "YES" or "NO")			
The accounts have been audited	YES	The accounts have been subject to review	NO
The accounts are in the process of being audited or subject to review	NO	The accounts have not yet been audited or reviewed	NO
This report is based on audited financial accounts for the year ended 30 June 2018. There are no disputes or qualification to the financial accounts that the Board is aware of.			
If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification: N/A			
If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification: N/A			

Attachments forming part of Appendix 4E

Attachment #	Details
1	Audited Accounts for Fastbrick Robotics Limited for the year ended 30th June 2018

Michael Pivac

Chief Executive Officer

Date: 31 August 2018

Fastbrick Robotics Ltd
For the year ended 30 June 2018

Contents

		Page
Directors' Report		1
Auditor's Independence Declaration		22
Consolidated Statement of Profit or Loss and Other Comprehensive Income		23
Consolidated Statement of Financial Position		24
Statement of Changes in Equity		25
Consolidated Statement of Cash Flows		27
Notes to the Consolidated Financial Statements		28
1	Nature of operations	28
2	General information and statement of compliance	28
3	Going Concern	28
4	Changes in accounting policies	28
5	Summary of accounting policies	32
6	Segment reporting	38
7	Income	38
8	Expenses	39
9	Income tax expense	40
10	Cash and cash equivalents	41
11	Trade and other receivables	41
12	Other current assets	41
13	Financial assets and liabilities	42
14	Property, plant and equipment	43
15	Development costs	44
16	Trade and other payables	45
17	Provisions	45
18	Share capital	45
19	Share based payments	48
20	Reserves	56
21	Earnings per share	57
22	Reconciliation of cash flows from operating activities	57
23	Auditor remuneration	58
24	Related party transactions	58

25	Contingent liabilities	59
26	Leases	59
27	Financial instrument risk	60
28	Fair value measurement	63
29	Events after the reporting date	63
30	Parent entity information	64
Directors' Declaration		65
Independent Auditor's Report		66

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Directors' Report

The Directors present their report together with the financial statements of Fastbrick Robotics Limited ('FBR' or the 'Company') and its controlled entities ('the Group') for the year ended 30 June 2018.

Directors' details

The following persons were directors of the Company during or since the end of the financial year:

Mr Richard Grellman AM

Non-Executive Chairman

Appointed 15 July 2018

Qualifications: FCA

Experience and expertise: Mr Grellman previously worked with accounting firm KPMG for 32 years and was a member of KPMG's National Board from 1995 to 1997 and a member of the National Executive Committee from 1997 to 2000.

In 2007, Mr Grellman was appointed a member of the Order of Australia for service to the community (particularly through leadership roles with Mission Australia and fundraising with Variety, The Children's Charity) and to the finance and insurance sectors.

Other current directorships: Non-Executive Chairman of ASX-listed IPH Limited (ASX: IPH). Director and Chairman of Bisalloy Steel Group Limited (ASX: BIS)

Director of the National Health Medical Research Council for Institute for Dementia Research

Former directorships (last 3 years): Chairman of Crowe Horwath Australasia Limited (2011 – 2015), Chairman of Genworth Mortgage Insurance Limited (2012-2016), Chairman of the AMP Foundation (2012-2018)

Special responsibilities: Remuneration Committee member and Audit Committee member

Interests in shares: Nil

Interests in Performance shares: Nil

Interests in Performance rights: Nil

Mr Michael Pivac

Chief Executive Officer & Executive Director

Appointed 18 November 2015

Qualifications: Business Management

Experience and expertise: Michael Pivac is the Business Development Director and Chief Executive Officer of Fastbrick. He is integral to the formulation and development of the Fastbrick Robotics business model, and forging partner relationships with investors, product suppliers and customers. He is a former Airborne Electronic Systems specialist with extensive experience in Business Operations Management.

Other current directorships: Nil

Former directorships (last 3 years): Nil

Special responsibilities: Nil

Interests in shares: 26,911,226

Interests in Performance shares: 76,017,216

Interests in Performance rights: 3,666,666

Mr Mark Pivac
B. Eng (Aero) Hons.

Chief Technology Officer, Executive Director and Founder

Appointed 18 November 2015

Qualifications: B.Eng (Aero) Hons

Experience and expertise: Mark Pivac is the primary inventor of FBR's automated bricklaying technology. He is an aeronautical and mechanical engineer with over 25 years' experience working on the development of high technology equipment ranging from lightweight aircraft to heavy off road equipment. Mr Pivac has 20 years' experience of pro/engineer 3D CAD software. He also has high level mathematical experience including matrix mathematics, robot transformations and vector mathematics for machine motion. In addition, he has extensive design, commissioning and fault finding experience on servo controlled motion systems achieving very high dynamic performance.

Other current directorships: Nil

Former directorships (last 3 years): Nil

Special responsibilities: Nil

Interests in shares: 98,319,808

Interests in Performance shares: 277,328,037

Interests in Performance rights: 3,466,666

Ms Nancy Milne OAM
B. Law, FAICD

Non-Executive Director

Appointed 10 August 2018

Qualifications: B.Law, FAICD

Experience and expertise: Ms Milne has extensive business experience as a non-executive director and lawyer specialising in insurance, corporate governance, risk management and commercial dispute resolution. She was a partner at Clayton Utz from 1997 to 2003 and a consultant until 2012, and was awarded the Order of Australia Medal in 2008 for services to the legal sector and to the community. Ms Milne is currently a Non-Executive Director of ALE Property Group Limited, Chair of the Securities Exchanges Guarantee Corporation and Deputy Chair of the State Insurance Regulatory Authority, and has significant experience in risk management, safety, compliance and property development.

Other current directorships: Non-Executive Director of ALE Property Group Limited, Chair of the Securities Exchanges Guarantee Corporation and Deputy Chair of the State Insurance Regulatory Authority

Former directorships (last 3 years): Crowe Horwath Australasia

Special responsibilities: Remuneration Committee Chair and Audit Committee member

Interests in shares: Nil

Interests in Performance shares: Nil

Interests in Performance rights: Nil

Mr Andrew Bloore

Non-Executive Director

Appointed 10 August 2018

Experience and expertise: Mr Bloore is highly experienced in design and delivery of disruptive technologies and distribution models. He has a strong strategy and profitability focus and has been involved in a number of corporate transactions across his career.

Mr Bloore has spent over 25 years in the superannuation sector and was the CEO and founder of SuperIQ Pty Ltd, an automated online administrator of self managed super funds. In 2016 Mr Bloore sold his 51% interest in the SuperIQ business to AMP Limited.

Other current directorships: Chairman of Guildlink Ltd, Director of Guild Group, Noahface Pty Ltd, the Sydney Institute of Marine Science Foundation Vertical Farming Australia Pty Ltd and Commercialisation Board of Landcare NSW

Former directorships (last 3 years): SuperIQ Pty Ltd and Superconcepts Pty Ltd.

Special responsibilities: Audit Committee Chair and Remuneration Committee member

Interests in shares: Nil

Interests in Performance shares: Nil

Interests in Performance rights: Nil

Ms Shannon Robinson
LLB, B.Com, MAICD, GIA(cert)

Non-Executive Chairperson

Appointed 18 November 2015

Resigned 15 July 2018

Qualifications: LLB, B.Com, MAICD, GIA(cert)

Experience and expertise: Ms Robinson is a former corporate lawyer and corporate advisor with over 10 years' international experience in providing general corporate, capital raising, transaction and strategic advice to numerous ASX listed and unlisted companies. Ms Robinson has been a director of several ASX and AIM listed resource companies and is currently a non-executive director of Spookfish Limited, Yojee Limited and Equator Resources Limited.

Other current directorships: Spookfish Limited, Yojee Limited.

Former directorships (last 3 years):

Equator Resources Limited – 10 November 2015 to 20 September 2016

Special responsibilities: Audit Committee Chair and Remuneration committee member

Interests in shares: 2,787,879

Interests in Performance rights: 1,166,666

Mr Gabriel Chiappini
B.Bus, CA, GAICD

Non-Executive Director & Company Secretary

Appointed 15 December 2011

Resigned 10 August 2018

Qualifications: Bachelor of Business, member of Chartered Accountants Australia and New Zealand. Member of Australian Institute of Company Directors.

Experience and expertise: Gabriel Chiappini is a Chartered Accountant with over 20 years' experience as a finance professional and member of Australian Institute of Company Directors. For the past 13 years Mr Chiappini has been managing a private consulting firm (Laurus Corporate Services) offering Non-Executive Director and Company Secretarial services to a variety of ASX listed companies. Mr Chiappini has extensive experience providing advice and services on equity raisings and divestment and acquisition strategies. Mr Chiappini is an experienced company director and currently serves on a number of ASX company boards.

Other current directorships: Black Rock Mining (ASX.BKT), Eneabba Gas Ltd (ASX:ENB) and Invictus Energy Ltd (ASX:IVZ) (Formerly Interpose Holdings Ltd)

Former directorships (last 3 years): Global Geoscience Ltd (ASX.GSC), Scotgold Resources Ltd (ASX:SGZ)

Special responsibilities: Audit Committee member & Remuneration Committee Chair, Company Secretary

Interests in shares:	4,927,219
Interests in Performance rights:	2,566,666

Company Secretary

Mr Aidan Flynn, B Comm, B Sc, Dip Energy, CPA

Mr Flynn is the Chief Financial Officer of the Company and was appointed as Company Secretary on 17 July 2018.

Principal activities

FBR designs, develops and builds dynamically stabilised robots to address global needs. These robots are designed to work outdoors using the Company's core Dynamic Stabilisation Technology (DST™). FBR is commercialising products for the construction sector together with DST™-enabled solutions for other industries. The first application of DST™ is the Hadrian X, a construction robot capable of building the walls of a structure from a 3D CAD model with speed and precision. Mechanical assembly of the Hadrian X was completed in June 2018.

Significant changes in the state of affairs

In November 2017, FBR completed a placement of 184,210,526 fully paid ordinary shares in the capital of the Company with a small number of international and domestic intuitional investors. The shares were allotted in November 2017 at $0.19 per share and raised a total of $35 million. The funds were raised to finalise the procurement, assembly, testing and demonstration of FBR's Hadrian X commercial prototypes.

No other significant changes were made in the state of affairs during the period.

Review of operations and financial results

In June 2018, FBR completed the mechanical assembly of the world's first Hadrian X construction robot. This was a significant milestone in the Company's operations. Following on from mechanical assembly completion, the Hadrian X programme has entered the Testing and Commissioning Phase, in which the following three key tests will be carried out:

- Testing of the functionality of the Company's core DST;
- Factory Acceptance Testing ('FAT'), where the Hadrian X will build structures in different configurations in a controlled factory environment; and
- Outdoor field testing in preparation for its first house build, a 3-bedroom, 2-bathroom structure known as Build1.

In conjunction with the assembly completion announcement, the Company announced a rebrand to FBR Limited, with a new corporate structure, logo and corporate colours. This change reflects FBR's growth into a global robotics company and establishes a structure that could see a number of different operating divisions emerge in addition to construction robotics, as the Company's core DST has potential applications across numerous industries beyond bricklaying and construction.

Shortly after mechanical assembly of the Hadrian X was completed, FBR announced it had entered into a Strategic Collaboration Agreement ('SCA') with GP Vivienda, the housing division of one of Mexico's largest construction companies, Grupo GP. The SCA extends for two years and contemplates the discussion of a pilot programme in Mexico, as well as opportunities for future applications of FBR's DST and other commercial and business development opportunities.

In July 2017, the Company substantially de-risked its commercialisation strategy via the signing of the Memorandum of Understanding ("MOU") with Caterpillar Inc. ('Caterpillar'). The Caterpillar MOU facilitates the collaboration between Caterpillar and FBR in relation to FBR's robotic bricklaying technology. As part of the agreement, Caterpillar invested US$2 million into the Company with an option to invest a further US$8 million.

In July 2018, it was announced that the Company and Caterpillar had elected to extend the MOU, and that a new option would be granted to Caterpillar subject to shareholder approval. This new option was intended to replace the previous option with a higher total value of US$10 million, subject to a number of conditions outlined in events arising since the end of the reporting period.

In August 2017, FBR announced the signing of a non-binding Memorandum of Understanding ("MOU") with the Kingdom of Saudi Arabia's Ministry of Housing. The MOU positions Saudi Arabia as a first global adopter of FBR's robotic bricklaying technology and contemplates the construction of a minimum of 50,000 new home units by 2022.

In April 2018, FBR released a global market study carried out with support from a strategic advisor. This market study identified that a stock of approximately 140,000 to 150,000 Hadrian X construction robots would be required to build all low-rise buildings globally in 2018. With the information derived from the global market study, FBR has initiated analysis of key market entry points and commercialisation strategies for different jurisdictions in preparation for completion of the Hadrian X programme.

The net consolidated loss of the Company for the financial period was $7,115,679 (2017: loss of $2,567,107)*.

*Restated prior year loss; refer to Note 4(b)

Dividends

No dividends were proposed or paid during the period or up to the date of signing this report.

Events arising since the end of the reporting period

2 July 2018 – FBR extended the MOU with Caterpillar and entered into a new Option Deed. The parties agreed to extend the term of the MOU until 31 January 2019, in order to allow FBR additional time to demonstrate the technology to Caterpillar, in line with the original intentions of the MOU. Under the new option, Caterpillar will have the ability to subscribe for shares in FBR to the total value of approximately US$10 million at a subscription price of $0.24 on or before 31 January 2019. The exercise of the new option is conditional upon Caterpillar entering into a Strategic Alliance Agreement with FBR and is subject to FBR shareholder approval.

10 July 2018 – FBR announced the appointment of Mr Steve Pierz as its Chief Innovation Officer, based full time in the United States. As part of this appointment, FBR announced the establishment of an office based in the United States as it looks to expand its global footprint.

15 July 2018 – FBR appointed Mr Richard Grellman AM as its new Non-Executive Chairman, following the retirement from the Board of Ms Shannon Robinson.

10 August 2018 – FBR appointed Ms Nancy Milne OAM and Mr Andrew Bloore as Non-Executive Directors of the Company, following the retirement from the Board and the role of Joint Company Secretary of Mr Gabriel Chiappini.

22 August 2018 - FBR appointed Mr Peter Scott to its Advisory Committee.

29 August 2018 – FBR shareholders approved a change of Company name from Fastbrick Robotics Limited to FBR Limited and the grant of a new option to Caterpillar.

Likely developments, business strategies and prospects

FBR will continue to progress the Hadrian X programme towards commercialisation in FY19, as well as investing in its intellectual property portfolio and its employees.

Hadrian X – FBR's main focus during the 2019 financial year will be the demonstration of the Hadrian X construction robot and further refinements to its operating performance following completion of an extensive testing process. There are a number of key de-risking milestones remaining that the Hadrian X programme will need to navigate and clear, including several testing phases and demonstration. More specifically the 2018 Hadrian X programme de-risking milestones include:

- Module testing;
- Commissioning;
- DST Testing;
- Factory Acceptance Testing;
- Site Acceptance Testing; and
- Demonstration & showcase of Hadrian X – Build1.

Key Relationships – In parallel with the Hadrian X programme, FBR will continue to develop its existing relationships with key partners as well as attracting new partners to help deliver on strategic objectives.

Caterpillar remains FBR's preferred global manufacturing partner, as contemplated in the extension of the MOU and the grant of the replacement option.

The MOU with the Kingdom of Saudi Arabia's Ministry of Housing and the SCA with GP Vivienda represent potential locations for Hadrian X pilot programmes, with high demand for fast, affordable housing in both regions. FBR will look to deepen their engagement in the respective regions in FY19 as part of its market entry strategy for the Hadrian X, as well as attracting new partners in suitable locations.

Customer Discovery Strategy – Using the information learned from its global market study, as well as analysis conducted in conjunction with key partners, the Company is building on its Customer Discovery Strategy and will continue to do so in FY19. The Customer Discovery Strategy is integral to the commercialisation of the Hadrian X programme and future applications of DST, and is strongly linked to its global manufacturing and distribution strategy.

FBR has been engaged in a process to identify suitable early adopters for the Hadrian X and future DST applications as part of the Company's market entry strategy. This process has yielded a number of key relationships that are continuing to develop, as well as a number of targets suited to being early adopters of FBR's technology with a view to entering into binding agreements as the Hadrian X programme nears readiness for commercialisation.

Intellectual Property Portfolio – During FY18, FBR enhanced its intellectual property strategy and management with the appointment of Mr Jonathan Lawe Davies as in-house Chief IP Counsel and an in-house patent attorney. The Company continues to have a strong IP strategy and is committed to building upon its patent portfolio protecting its core DST, the Hadrian X and the

Hadrian optimised block, as well as a number of future technologies that are in development through filings with various external attorney firms. FBR now has over 36 patents and patent applications filed around the world with a number of new applications in the pipeline covering various improvements to the Hadrian X and future applications for DST.

Fastbrick Employees – FBR has become an employer of choice for the robotics sector, enabling the Company to secure key people during FY18; a period in which the Company more than tripled its staff numbers. The Company anticipates a further increase in employees during FY19 as it moves to complete the Hadrian X programme and progress research and development projects relating to other applications for DST. Continuing to be an employer of choice is crucial to allow the Company to recruit employees so that FBR can execute on its:

- Research & Development programmes;
- Global Manufacturing Production & Licencing Strategy; and
- Customer Discovery Strategy.

Subsequent to the end of FY18, FBR undertook a research and consultation exercise with employees to align the Company values with the aspirational goals, which will set the path for the Company's hiring strategy as it enters the next phase of its development.

New Applications for FBR's core technology

Subject to successfully executing key components of the Company's Hadrian X programme, FBR intends to seed new Research & Development projects to utilise FBR's core DST. In the immediate term, FBR remains focussed on delivering on the Hadrian X programme, however at an appropriate time the Company will allocate resources to progress some of the new applications and commercialisation opportunities for DST.

Directors' meetings

The number of Directors' Meetings (including meetings of Committees of Directors) held during the year, and the number of meetings attended by each Director is as follows:

	Board Meetings		Audit Committee		Remuneration Committee	
Directors' name	A	B	A	B	A	B
Mr Mark Pivac	9	9	NA	NA	NA	NA
Mr Michael Pivac	9	9	NA	NA	NA	NA
Ms Shannon Robinson[1]	9	9	2	2	2	2
Mr Gabriel Chiappini[2]	9	9	2	2	2	2
Mr Richard Grellman[3]	0	0	0	0	0	0
Ms Nancy Milne[4]	0	0	0	0	0	0
Mr Andrew Bloore[4]	0	0	0	0	0	0

[1] Ms Robinson retired as Non-Executive Chairperson on 15 July.
[2]2018Mr Chiappini retired as a Non-Executive Director on 10 August 2018.
[3] Mr Grellman was appointed as a Non-Executive Chairman on 15 July 2018.
[4] Ms Milne and Mr Bloore were appointed as Non-Executive Directors on 10 August 2018.

Audit Committee meetings are usually held as part of the main part of Board meetings with external auditors invited to the meetings to present their findings. The Audit Committee was comprised of Shannon Robinson (Chair of Audit Committee) and Gabriel Chiappini. The Remuneration Committee was comprised of Gabriel Chiappini (Chair of Remuneration Committee) and Shannon Robinson. The newly appointed Audit Committee and Remuneration Committee now consists of Richard Grellman, Nancy Milne (Chair of Remuneration Committee) and Andrew Bloore (Chair of Audit Committee). The executives are invited to the Committee meetings at the discretion of the respective Committee Chair.

Where:

- **column A** is the number of meetings the Director was entitled to attend
- **column B** is the number of meetings the Director attended

Unissued shares under option

Unissued ordinary shares of Fastbrick Robotics under option at the date of this report are:

Date options granted	Expiry date	Exercise price of shares	Number under option
18 September 2014	18 September 2018	$0.08	1,351,250
12 November 2015	12 November 2019	$0.02	1,687,500
21 April 2017	20 April 2021	$0.200	10,000,000
15 March 2018	14 March 2021	$0.300	6,750,000
11 May 2018	11 May 2021	$0.300	3,750,000
11 May 2018	11 May 2021	$0.325	300,000
20 July 2018	20 July 2021	$0.300	4,000,000
13 August 2018	12 August 2021	$0.300	1,500,000
			29,338,750

These options do not entitle the holder to participate in any share issue of the Company. Refer to note 19 for key terms of the options.

Shares issued during or since the end of the year as a result of exercise of options

During the period 74,597,500 options were exercised at an average exercise price of $0.02 per option, raising gross proceeds of $1,569,050.

Remuneration Report (audited)

The Directors of Fastbrick Robotics Limited ('FBR' or 'the Company') present the Remuneration Report for Non-Executive Directors, Executive Directors and other Key Management Personnel, prepared in accordance with the *Corporations Act 2001* and the *Corporations Regulations 2001*.

The Remuneration Report is set out under the following main headings:

a Principles used to determine the nature and amount of remuneration;
b Details of remuneration;
c Service agreements;
d Share-based remuneration; and
e Other information.

a Principles used to determine the nature and amount of remuneration

The principles of FBR's executive strategy and supporting incentive programs and frameworks are:

- to align rewards to business outcomes that deliver value to shareholders;
- to drive a high performance culture by setting challenging objectives and rewarding high performing individuals; and
- to ensure remuneration is competitive in the relevant employment market place to support the attraction, motivation and retention of executive talent.

FBR has a remuneration framework that is market competitive and complementary to the reward strategy of the Company.

The Board, with the assistance and guidance of the Remuneration Committee, is responsible for determining and reviewing compensation arrangements for the Company.

The remuneration structure that has been adopted by the Company consists of the following components:

- Fixed remuneration being annual salary; and
- Equity plan for staff, which consists of Share Performance Rights, Share Retention Rights and Incentive Options.

As the Company grows and matures, the Board will look at refining the remuneration structure to manage short term incentives and further develop its employee share plans.

The Non-Executive Directors on the Board assess the appropriateness of the nature and amount of remuneration on a periodic basis by reference to recent employment market conditions, with the overall objective of ensuring maximum stakeholder benefit by the retention of a high quality Board and Executive Team.

The payment of bonuses, share options and other incentive payments are to be reviewed by the Non-Executive Directors annually as part of the review of executive remuneration. All bonuses, options and incentives must be linked to predetermined performance criteria.

Short Term Incentive (STI)

FBR presently does not have a financial STI Plan in place, however it does monitor staff performance to ensure key objectives are being met. The performance measures involve the use of annual performance objectives, metrics, performance appraisals and continuing emphasis on living the Company values.

As part of the continued growth of the Company, it will look to introduce financial performance incentives whereby performance measures will be set annually after consultation with the Directors and Executives and will be specifically tailored to the areas where each executive has a level of control. The measures will target areas the Board believes hold the greatest potential for expansion and profit and cover financial and non-financial measures.

The Key Performance Indicators (KPI's) for the Executive Team are summarised as follows:

- **financial** – not applicable for FY18, however it is expected future financial years will have revenues, operating profit and earnings per share; and
- **non-financial** – strategic and corporate goals set individually based on job descriptions and the attainment of the Company's overall strategic and corporate milestones.

The Board may, at its discretion, award bonuses for exceptional performance in relation to each individual.

Use of remuneration consultants

Remuneration is compared with the external market by industry salary surveys and during recruitment activities generally. During the period, the Board engaged consulting firm The Reward Practice Pty Ltd to provide independent advice in the form of a written report detailing benchmarking of executive remuneration to support a review to ensure the effective alignment with business requirements, market practice and key shareholder group expectations. During the period no remuneration recommendations, as defined by the Corporations Act, were provided by The Reward Practice Pty Ltd.

Voting and comments made at the Company's last Annual General Meeting

FBR received 84% of 'yes' votes on its Remuneration Report for the 2017 Annual General Meeting. The Company received no adverse feedback on its Remuneration Report at the Annual General Meeting.

Consequences of performance on shareholder wealth

In considering the Company's performance and benefits for shareholder wealth, the Board have regard to the following indices in respect of the current financial year and the previous two (2) financial years since reverse acquisition of the Company in November 2015:

Item	2018	2017*	2016
EPS loss (cents)	0.75	0.36	1.38
Dividends (cents per share)	-	-	-
Net loss ('000)	7,116	2,567	5,779
Share price	$0.180	$0.105	$0.026

* Refer to Note 4(b)

b Details of remuneration

Details of the nature and amount of each element of the remuneration of each Key Management Personnel (KMP) of each entity are shown in the following tables:

DIRECTOR AND OTHER KEY MANAGEMENT PERSONNEL REMUNERATION

EMPLOYEE	YEAR	SHORT-TERM EMPLOYEE BENEFITS			POST-EMPLOYMENT BENEFITS	LONG-TERM BENEFITS	TERMINATION BENEFITS	SHARE-BASED PAYMENTS	TOTAL	PERFORMANCE BASED PERCENTAGE OF REMUNERATION
		CASH SALARY AND FEES	CASH BONUS	OTHER BENEFITS	SUPERANNUATION	ANNUAL LEAVE & LONG SERVICE LEAVE	TERMINATION PAYMENTS	EQUITY PLAN		
Executive Directors										
Mr Michael Pivac	2018	296,361	-	-	20,049	37,338	-	378,470	732,218	52%
CEO	2017	218,630	-	-	17,918	26,354	-	155,609	418,511	37%
Mr Mark Pivac	2018	326,650	-	486	20,049	32,336	-	368,990	748,511	49%
CTO	2017	280,366	-	-	19,616	11,225	-	155,609	466,816	33%
Non-Executive Directors										
Ms Shannon Robinson (a)	2018	48,000	-	-	4,560	-	-	198,567	251,127	79%
Independent	2017	48,000	-	-	4,560	-	-	108,926	161,486	67%
Mr Gabriel Chiappini (b)	2018	44,000	-	36,000	-	-	-	264,929	344,929	77%
Independent	2017	42,000	-	52,000	-	-	-	108,926	202,926	54%
Executive										
Mr Gabriel Chiappini	2018	46,000	-	-	-	-	-	-	46,000	0%
Company Secretary	2017	36,000	-	-	-	-	-	-	36,000	0%
Mr Marcus Gracey (c)	2018	283,333	-	-	23,000	23,831	-	576,119	906,283	64%
CCDO	2017	41,111	-	-	3,906	3,162	-	199,636	247,815	81%
Mr Mark Sheridan (d) COO	2018	100,720	-	8,207	9,077	8,065	-	140,919	266,989	53%
Mr Aidan Flynn (e) CFO	2018	94,652	-	7,282	9,684	7,476	-	140,919	260,013	54%
Mr Steve Pierz (f) CIO	2018	-	-	70,373	-	-	-	56,769	127,142	45%
Mr Jonathan Lawe Davies (g) CIPC	2018	34,558	-	-	4,560	3,013	-	56,769	98,900	57%
2018 Total	**2018**	**1,274,275**	**-**	**122,348**	**90,979**	**112,059**	**-**	**2,182,451**	**3,782,112**	**58%**
2017 Total	**2017**	**666,107**	**-**	**52,000**	**46,000**	**40,741**	**-**	**728,706**	**1,533,554**	**48%**

(a) Ms Shannon Robinson resigned as Non-Executive Chairperson on 15 July 2018.

(b) Other benefits for Mr Chiappini, include but are not limited to management of the Company's back office, accounting and finance function, investor relations, compliance & corporate governance and ASX and ASIC requirements. See 'Other transactions with key management personnel'. Mr Chiappini has since retired from the Board and the role of Joint Company Secretary as at 10 August 2018.

(c) Mr Gracey, originally Chief Operating Officer, was appointed to the position of Chief Corporate Development Officer on 10 August 2018.

(d) Mr Sheridan, originally General Manager of Operations, was appointed to the position of Chief Operations Officer on 10 August 2018.

(e) Mr Flynn was appointed to the position of Chief Financial Officer on 29 January 2018 and appointed as Company Secretary on 17 July 2018.

(f) Mr Pierz was appointed to the position of Chief Innovation Officer on 10 July 2018 and was previously consulting to FBR, as the Director of BD Americas, through the entity Exponential Insights LLC.

(g) Mr Lawe Davies was appointed to the position of Chief IP Counsel on 26 March 2018.

The relative proportions of remuneration that are linked to performance and those that are fixed are as follows:

Name	Fixed remuneration	At risk – STI	At risk – Equity Plan
Executive Directors			
Mr Michael Pivac	$375,000 + statutory superannuation	Nil	3,666,666 Performance Rights
Mr Mark Pivac	$350,000 + statutory superannuation	Nil	3,466,666 Performance Rights
Non-Executive Directors			
Ms Shannon Robinson[1]	$48,000 + statutory superannuation	Nil	1,166,666 Performance Rights
Mr Gabriel Chiappini[2]	$44,000 + statutory superannuation	Nil	2,566,666 Performance Rights
Mr Richard Grellman[3]	$100,000 + statutory superannuation	Nil	Nil
Ms Nancy Milne[4]	$60,000 + statutory superannuation	Nil	Nil
Mr Andrew Bloore[4]	$60,000 + statutory superannuation	Nil	Nil

[1] Ms Robinson retired as Non-Executive Chairperson on 15 July 2018.
[2] Mr Chiappini retired as a Non-Executive Director on 10 August 2018.
[3] Mr Grellman was appointed as Non-Executive Chairman on 15 July 2018.
[4] Ms Milne and Mr Bloore were appointed as Non-Executive Directors on 10 August 2018.

The Company is reviewing its salary mix to ensure the Company's Executives and Non-Executives are benchmarked to its peers and comparable technology companies. The Board acknowledges that that the above two Executives have a substantial equity position and are incentivised via their performance share, which were issued as part of the acquisition of FBR in 2015 and forms part of the deferred consideration for the acquisition.

c Service agreements

Remuneration and other terms of employment for the Executive Directors and other Key Management Personnel are formalised in an Executive Service Agreement or employment contract. The major provisions of the agreements relating to remuneration are set out below:

Employee	Base salary	Term of agreement	Notice period
Executive Directors			
Mr Michael Pivac	$375,000	Unspecified	Six months
Mr Mark Pivac	$350,000	Unspecified	Six months
Non-Executive Directors			
Mr Richard Grellman	$100,000	Unspecified	None
Ms Nancy Milne	$60,000	Unspecified	None
Mr Andrew Bloore	$60,000	Unspecified	None
Executives			
Mr Mark Sheridan	$325,000	Unspecified	Six months
Mr Marcus Gracey	$325,000	Unspecified	Six months
Mr Aidan Flynn	$240,000	Unspecified	Three months
Mr Steve Pierz	$120,000 (USD)	Unspecified	Three months
Mr Jonathan Lawe Davies	$173,333	Unspecified	Three months

d Share-based remuneration

During the year, the Company issued 11,333,336 fully paid ordinary shares as a result of the achievement of two of three vesting conditions associated with the Performance Rights issued to directors.

Options Approved by the Board during the year

Class A	Number Issued	Grant Date	Vesting Date	Expiry Date	Exercise Price (cents)	Fair Value at Grant Date (cents)
Marcus Gracey	1,000,000	1 March 2018	1 July 2018	14 March 2021	30	8.34
Mark Sheridan	500,000	1 March 2018	1 July 2018	14 March 2021	30	8.34
Aidan Flynn	500,000	1 March 2018	1 July 2018	14 March 2021	30	8.34
Steve Pierz	500,000	18 April 2018	1 July 2018	11 May 2021	30	9.13
Jonathan Lawe Davies	500,000	18 April 2018	1 July 2018	11 May 2021	30	9.13

Class B	Number Issued	Grant Date	Vesting Date	Expiry Date	Exercise Price (cents)	Fair Value at Grant Date (cents)
Marcus Gracey	1,000,000	1 March 2018	1 July 2019	14 March 2021	30	8.34
Mark Sheridan	500,000	1 March 2018	1 July 2019	14 March 2021	30	8.34
Aidan Flynn	500,000	1 March 2018	1 July 2019	14 March 2021	30	8.34
Steve Pierz	500,000	18 April 2018	1 July 2019	11 May 2021	30	9.13
Jonathan Lawe Davies	500,000	18 April 2018	1 July 2019	11 May 2021	30	9.13

Class C	Number Issued	Grant Date	Vesting Date	Expiry Date	Exercise Price (cents)	Fair Value at Grant Date (cents)
Marcus Gracey	1,000,000	1 March 2018	1 July 2020	14 March 2021	30	8.34
Mark Sheridan	500,000	1 March 2018	1 July 2020	14 March 2021	30	8.34
Aidan Flynn	500,000	1 March 2018	1 July 2020	14 March 2021	30	8.34
Steve Pierz	500,000	18 April 2018	1 July 2020	11 May 2021	30	9.13
Jonathan Lawe Davies	500,000	18 April 2018	1 July 2020	11 May 2021	30	9.13

The Black-Scholes option pricing model was used to value these options.

The fair value of these 9,000,000 options granted during the current year was $774,554. The accounting expense recognised for the current year is $275,879 with $68,301 capitalised to development costs, based on the number of options and the vesting dates.

Performance rights granted during the year

During the year, the Company issued 5,200,000 unlisted Performance Rights to the Directors of FBR. These Performance Rights have an escrow period and are split in the following classes:

Class A	Number Issued	Grant Date	Expiry Date	Exercise Price (cents)	Fair Value at Grant Date (cents)
Michael Pivac	666,667	27 November 2017	31 December 2018	Nil	13.24
Mark Pivac	600,000	27 November 2017	31 December 2018	Nil	13.24
Gabriel Chiappini	466,667	27 November 2017	31 December 2018	Nil	13.24

Class B	Number Issued	Grant Date	Expiry Date	Exercise Price (cents)	Fair Value at Grant Date (cents)
Michael Pivac	666,667	27 November 2017	31 December 2019	Nil	14.63
Mark Pivac	600,000	27 November 2017	31 December 2019	Nil	14.63
Gabriel Chiappini	466,667	27 November 2017	31 December 2019	Nil	14.63

Class C	Number Issued	Grant Date	Expiry Date	Exercise Price (cents)	Fair Value at Grant Date (cents)
Michael Pivac	666,666	27 November 2017	31 December 2020	Nil	15.59
Mark Pivac	600,000	27 November 2017	31 December 2020	Nil	15.59
Gabriel Chiappini	466,666	27 November 2017	31 December 2020	Nil	15.59

(i) **1,733,334 Performance Rights Class A**
Vesting condition for Class A; Upon the Company shares achieving a 15 day VWAP of $0.325.
Milestone date is 31 December 2018.
Escrow applies if vesting hurdle met after grant date and before 1 July 2018.
Expiry date is 31 December 2018.
If unconverted, Class A Performance Rights will expire at the expiry date.

(ii) **1,733,334 Performance Rights Class B**
Vesting condition for Class B; Upon the Company shares achieving a 15 day VWAP of $0.425.
Milestone date is 31 December 2019.
Escrow applies if vesting hurdle met after grant date and before 1 July 2019.
Expiry date is 31 December 2019.
If unconverted, Class B Performance Rights will expire at the expiry date.

(iii) **1,733,332 Performance Rights Class C**
Vesting condition for Class C; Upon the Company shares achieving a 15 day VWAP of $0.525. Milestone date is 3 years from the date of grant.
Milestone date is 31 December 2020.
Escrow applies if vesting hurdle met after grant date and before 1 July 2020.
Expiry date is 31 December 2020.
If unconverted, Class C Performance Rights will expire at the expiry date.

The binomial pricing model was used to value these performance rights. Inputs into the valuation model were as stated in points (i) to (iii) above, and as follows:

- Spot price: The spot price of the Company's shares was $0.20 per share at the close of trade on 27 November 2017, the last date the Company's shares traded prior to the Valuation Date.
- Expected future volatility: Assumed volatility of 100% for the securities. This is calculated based on historical volatility over recent trading periods.
- Risk free rate: Determined based on volatility yields of Commonwealth bonds using the period which most closely corresponds to the maximum lives of the Rights. The interest rates are measured as the closing rate on the day prior to the Valuation Date. The bond rates used were 1.72%, 1.76% and 1.91% as disclosed by the Reserve Bank of Australia.
- Dividend yield: Assumed a dividend yield of 0% as the Company does not have a history of paying dividends and is not expected to declare or pay any dividends over the life of the Rights.

The fair value of these 5,200,000 Performance Rights granted during the year was $753,393. The accounting expense recognised for the current year is $169,696 with $76,790 capitalised to development costs, based on the number of Performance Rights amortised as an expense during the year.

During the year, the Company issued an additional 3,000,000 unlisted Performance Rights to the Key Management Personnel of FBR. These Performance Rights have no escrow period and are split in the following classes:

Class A	Number Issued	Grant Date	Expiry Date	Exercise Price (cents)	Fair Value at Grant Date (cents)
Marcus Gracey	500,000	1 March 2018	30 September 2018	Nil	16
Mark Sheridan	500,000	1 March 2018	30 September 2018	Nil	16
Aidan Flynn	500,000	1 March 2018	30 September 2018	Nil	16

Class B	Number Issued	Grant Date	Expiry Date	Exercise Price (cents)	Fair Value at Grant Date (cents)
Marcus Gracey	500,000	1 March 2018	12 November 2018	Nil	16
Mark Sheridan	500,000	1 March 2018	12 November 2018	Nil	16
Aidan Flynn	500,000	1 March 2018	12 November 2018	Nil	16

(i) **1,500,000 Performance Rights Class A**
Vesting condition for Class A; Successful and fully operational completion of build Hadrian X.
Milestone date is 30 September 2018.
Expiry date is 20 business days from the milestone date.
If unconverted, Class A Performance Rights will expire on the expiry date.

(ii) **1,500,000 Performance Rights Class B**
Vesting condition for Class B; Upon the successful demonstration of the Company's robotic home building technology as proven by the construction of a Full Home Structure within 3 days from commencement of construction by the Company's robotic home building technology on the site.
Milestone date is 12 November 2018.
Expiry date is 20 business days from the milestone date
If unconverted, Class B Performance Rights will expire on the expiry date; and

The performance rights have been valued using the spot price on grant date. The spot price was $0.16 per share at the close of trade on 1 March 2018, being the date the performance shares were approved by the Board.

The fair value of these 3,000,000 Performance Rights granted during the year was $595,000. The accounting expense recognised for the current year is $183,169, with $66,607 capitalised to development costs, based on the number of Performance Rights amortised as an expense during the year.

Performance shares granted during the year

No performance shares were granted during the year.

e Bonuses included in remuneration

No short-term incentive (STI) cash bonuses were awarded during the period or up to the date of signing this report. At present, the Company does not have a cash STI structure in place, as the Company continues to mature, it may review whether an STI plan is suitable.

f Other information

Options held by key management personnel

During the year, the Company issued 9,000,000 employee incentive options to Key Management Personnel, including their related parties, is set out below:

Year ended 30 June 2018					
Personnel	**Balance at start of year**	**Granted as remuneration**	**Exercised**	**Other changes**	**Held at the end of reporting period**
Mr Michael Pivac	-	-	-	-	-
Mr Mark Pivac	-	-	-	-	-
Ms Shannon Robinson	-	-	-	-	-
Mr Gabriel Chiappini	-	-	-	-	-
Mr Marcus Gracey	10,000,000	3,000,000	-	-	13,000,000
Mr Mark Sheridan	-	1,500,000	-	-	1,500,000
Mr Aidan Flynn	-	1,500,000	-	-	1,500,000
Mr Jonathan Lawe Davies	-	1,500,000	-	-	1,500,000
Mr Steve Pierz	-	1,500,000	-	-	1,500,000
Total	**10,000,000**	**9,000,000**	**-**	**-**	**19,000,000**

Year ended 30 June 2017					
Personnel	**Balance at start of year**	**Granted as remuneration**	**Exercised**	**Other changes**	**Held at the end of reporting period**
Mr Michael Pivac	-	-	-	-	-
Mr Mark Pivac	-	-	-	-	-
Ms Shannon Robinson	-	-	-	-	-
Mr Gabriel Chiappini	-	-	-	-	-
Mr Marcus Gracey	-	10,000,000	-	-	10,000,000
Total	**-**	**10,000,000**	**-**	**-**	**10,000,000**

Shares held by Key Management Personnel

The number of ordinary shares in the Company during the 2018 reporting period held by each of the Company's Key Management Personnel, including their related parties, is set out below:

Year ended 30 June 2018					
Personnel	**Balance at start of year**	**Granted as remuneration**	**Received on exercise**	**Other changes**	**Held at the end of reporting period**
Mr Michael Pivac	23,577,892	-	3,333,334	-	26,911,226
Mr Mark Pivac	96,534,473	-	3,333,334	(1,548,000)	98,319,808
Ms Shannon Robinson	454,545	-	2,333,334	-	2,787,879
Mr Gabriel Chiappini	2,593,885	-	2,333,334	-	4,927,219
Mr Marcus Gracey	-	-	-	-	-
Mr Mark Sheridan	-	-	-	-	-
Mr Aidan Flynn	-	-	-	50,000	50,000
Mr Jonathan Lawe Davies	-	-	-	-	-
Mr Steve Pierz	-	-	-	176,900	176,900
Total	**123,160,795**	**-**	**11,333,336**	**(1,173,100)**	**133,321,031**

Year ended 30 June 2017					
Personnel	**Balance at start of year**	**Granted as remuneration**	**Exercised**	**Other changes**	**Held at the end of reporting period**
Mr Michael Pivac	23,577,892	-	-	-	23,577,892
Mr Mark Pivac	97,934,473	-	-	(1,400,000)	96,534,473
Ms Shannon Robinson	454,545	-	-	-	454,545
Mr Gabriel Chiappini	2,593,885	-	-	-	2,593,885
Mr Marcus Gracey	-	-	-	-	-
Total	**124,560,795**	**-**	**-**	**(1,400,000)**	**123,160,795**

Performance Shares held by Key Management Personnel

The number of Performance Shares held in the Company during the 2018 reporting period held by each of the Company's Key Management Personnel, including their related parties, is set out below:

Year ended 30 June 2018					
Personnel	**Balance at start of year**	**Granted as remuneration**	**Received on exercise**	**Other changes**	**Held at the end of reporting period**
Mr Michael Pivac	76,017,216	-	-	-	76,017,216
Mr Mark Pivac	277,328,037	-	-	-	277,328,037
Ms Shannon Robinson	-	-	-	-	-
Mr Gabriel Chiappini	-	-	-	-	-
Mr Marcus Gracey	-	-	-	-	-
Mr Mark Sheridan	-	-	-	-	-
Mr Aidan Flynn	-	-	-	-	-
Mr Jonathan Lawe Davies	-	-	-	-	-
Mr Steve Pierz	-	-	-	-	-
Total	**353,345,253**	**-**	**-**	**-**	**353,345,253**

Year ended 30 June 2017					
Personnel	**Balance at start of year**	**Granted as remuneration**	**Exercised**	**Other changes**	**Held at the end of reporting period**
Mr Michael Pivac	76,017,216	-	-	-	76,017,216
Mr Mark Pivac	277,328,037	-	-	-	277,328,037
Ms Shannon Robinson	-	-	-	-	-
Mr Gabriel Chiappini	-	-	-	-	-
Mr Marcus Gracey	-	-	-	-	-
Total	**353,345,253**	**-**	**-**	**-**	**353,345,253**

Performance Rights held by Key Management Personnel

The number of Performance Rights held in the Company during the 2018 reporting period held by each of the Company's Key Management Personnel, including their related parties, is set out below:

Year ended 30 June 2018					
Personnel	**Balance at start of year**	**Granted as remuneration**	**Received on exercise**	**Other changes**	**Held at the end of reporting period**
Mr Michael Pivac	5,000,000	2,000,000	(3,333,334)	-	3,666,666
Mr Mark Pivac	5,000,000	1,800,000	(3,333,334)	-	3,466,666
Ms Shannon Robinson	3,500,000	-	(2,333,334)	-	1,166,666
Mr Gabriel Chiappini	3,500,000	1,400,000	(2,333,334)	-	2,566,666
Mr Marcus Gracey	1,000,000	1,000,000	-	-	2,000,000
Mr Mark Sheridan	-	1,000,000	-	-	1,000,000
Mr Aidan Flynn	-	1,000,000	-	-	1,000,000
Total	**18,000,000**	**8,200,000**	**(11,333,336)**	**-**	**14,866,664**

Year ended 30 June 2017					
Personnel	**Balance at start of year**	**Granted as remuneration**	**Exercised**	**Other changes**	**Held at the end of reporting period**
Mr Michael Pivac	-	5,000,000	-	-	5,000,000
Mr Mark Pivac	-	5,000,000	-	-	5,000,000
Ms Shannon Robinson	-	3,500,000	-	-	3,500,000
Mr Gabriel Chiappini	-	3,500,000	-	-	3,500,000
Mr Marcus Gracey	-	1,000,000	-	-	1,000,000
Total	**-**	**18,000,000**	**-**	**-**	**18,000,000**

Loans to Key Management Personnel

No loans to Key Management Personnel were provided during the period or up to the date of signing this report.

Other transactions with Key Management Personnel

BDG Agreement

During the period the Company paid $52,313 (2017: $133,967) to BDG, an entity related to Mr Mark Pivac, for equipment hire and rent in connection with the development of the FBR's Technology. The payments and agreements ceased on 31 December 2017.

Laurus Corporate Services Agreement

During the period, Laurus Corporate Services Pty Ltd, an entity related to Mr Gabriel Chiappini, provided director, financial, company secretarial and administrative services to the Company in accordance with the terms of the consultancy agreement. The services were provided for a fee of $10,500 per month (excluding GST) and the services could be terminated by either party with six (6) months written notice. During the period the Company paid $126,000 (2017: $130,000) to Laurus Corporate Services Pty Ltd, inclusive of executive and director work in the normal course of services provided at arm's length rate and commercial terms. The payments and agreements ceased in August 2018.

As at 10 August 2018, Mr Gabriel Chiappini has retired from the Board and the role of Joint Company Secretary of the Company.

Exponential Insights Services Agreement

During the period Exponential Insights, an entity related to Mr Steve Pierz, provided consulting services to the Company for a fee of US$10,000 a month for business development in North America. During the period, the Company paid $70,373 (2017: Nil) to Exponential Insights LLC.

As at 10 July 2018, Steve Pierz transitioned to a position as the appointed Chief Innovation Officer at FBR with the key focus of furthering the Company's business development strategy in North America as well as driving FBR's innovation culture for the Company.

Guarantees

There have been no guarantees provided or received for any related parties.

End of audited Remuneration Report.

Environmental legislation

FBR is required to carry out its activities in accordance with the laws and regulations in the areas in which it undertakes its activities. There have been no known significant breaches of these laws and regulations.

Indemnities given to, and insurance premiums paid for directors and officers

Insurance of officers

During the year, FBR paid a premium to insure officers of the Company. The officers of the Company covered by the insurance policy include all Directors.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Company.

Details of the amount of the premium paid in respect of insurance policies are not disclosed as such disclosure is prohibited under the terms of the contract.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer of the Company against a liability incurred as such by an officer.

Non-audit services

During the year, Grant Thornton, the Company's auditors, did not perform any other services in addition to their statutory audit duties.

Details of the amounts paid to the auditors of the Company, Grant Thornton, for audit services provided during the year are set out in Note 23 to the financial statements.

A copy of the Auditor's Independence Declaration as required under s307C of the *Corporations Act 2001* is included on page 22 of this financial report and forms part of this Directors' Report.

Proceedings of behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Signed in accordance with a resolution of the Directors

Michael Pivac
Chief Executive Officer and Managing Director

31 August 2018

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Auditor's Independence Declaration

To the Directors of Fastbrick Robotics Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Fastbrick Robotics Limited for the year ended 30 June 2018, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

P W Warr
Partner – Audit & Assurance

Perth, 31 August 2018

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2018

	Notes	30 June 2018	30 June 2017 (Restated)*
		$	$
Income	7	535,486	258,378
Expenses			
Professional services	8.a	2,098,311	490,939
Directors' and employees' benefits	8.b	1,625,900	576,600
Other expenses	8.c	1,915,650	945,864
Share-based payments	19	1,994,763	763,707
Depreciation	14	16,541	48,375
Loss before tax		**7,115,679**	**2,567,107**
Income tax expense	9	-	-
Loss for the period		**7,115,679**	**2,567,107**
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income for the period		**-**	**-**
Total comprehensive loss for the period		**7,115,679**	**2,567,107**
Basic loss per share in cents per share	21	0.75	0.36
Diluted loss per share in cents per share	21	0.75	0.36

* Refer to Note 4(b)

Note: This statement should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Financial Position

As at 30 June 2018	Notes	30 June 2018	30 June 2017 (Restated)*
		$	$
Assets			
Current			
Cash and cash equivalents	10	21,956,657	8,650,755
Trade and other receivables	11	8,164,930	757,345
Other current assets	12	295,144	105,917
Current assets		**30,416,732**	**9,514,017**
Non-current			
Property, plant and equipment	14	1,269,940	207,775
Development costs	15	14,794,119	1,345,329
Non-current assets		**16,064,059**	**1,553,104**
Total assets		**46,480,791**	**11,067,121**
Liabilities			
Current			
Trade and other payables	16	2,273,431	502,534
Provisions	17	553,857	101,310
Finance lease	26	13,970	13,235
Current liabilities		**2,841,258**	**617,079**
Non-current			
Finance lease	26	26,523	40,552
Non-current liabilities		**26,523**	**40,552**
Total liabilities		**2,867,781**	**657,631**
Net assets		**43,613,010**	**10,409,490**
Equity			
Equity attributable to owners of the parent:			
Share capital	18	57,899,177	19,303,138
Reserves	20	2,747,220	2,125,507
Accumulated losses		(17,033,387)	(11,019,155)
Total equity		**43,613,010**	**10,409,490**

* Refer to Note 4(b)

Note: This statement should be read in conjunction with the notes to the financial statements.

Statement of Changes in Equity

For the year ended 30 June 2018

	Share capital	Performance right reserve	Share option & Performance share reserve	Accumulated losses	Total equity
	$	$	$	$	$
Balance at 1 July 2017	**19,303,138**	**914,071**	**1,211,436**	**(11,019,155)**	**10,409,490**
Loss for the period	-	-	-	(7,115,679)	**(7,115,679)**
Other comprehensive income	-	-	-	-	**-**
Total comprehensive loss for the period	**-**	**-**	**-**	**(18,134,834)**	**(3,293,811)**
Transactions with owners:					
Shares issued – capital raising (refer to Note 18)	37,646,600	-	-	-	**37,646,600**
Capital raising costs – (refer to Note 18)	(1,773,378)	-	-	-	**(1,773,378)**
Performance rights vested (refer to Note 19)	1,161,666	(1,161,666)	-	-	**-**
Performance rights issued to employees and directors (refer to Note 19)	-	2,079,304	-	-	**2,079,304**
Options issued to employees (refer to Note 19)	-		805,522	-	**805,522**
Shares issued upon exercise of options (refer to Note 18)	1,561,151	-	-	-	**1,561,151**
Options cancelled or forfeited	-	-	(1,101,447)	1,101,447	**-**
Balance at 30 June 2018	**57,899,177**	**1,831,709**	**915,511**	**(17,033,387)**	**43,613,010**

Note: This statement should be read in conjunction with the notes to the financial statements.

Statement of Changes in Equity (continued)

For the year ended 30 June 2017

	Share capital	Performance right reserve	Share option & Performance share reserve	Accumulated losses	Total equity
	$	$	$	$	$
Balance at 1 July 2016	**11,094,038**	**-**	**1,126,800**	**(8,452,048)**	**3,768,790**
Loss for the period (Restated)*	-	-	-	(2,567,107)	**(2,567,107)**
Other comprehensive income	-	-	-	-	**-**
Total comprehensive loss for the period	**-**	**-**	**-**	(2,567,107)	**(2,567,107)**
Transactions with owners:					
Performance rights issued to employees and directors (refer to Note 19)	-	914,071	-	-	**914,071**
Options issued to employee (refer to Note 19)	-		84,636	-	**84,636**
Shares issued to consultants (refer to Note 18)	20,000	-	-	-	**20,000**
Shares issued to cornerstone investor (refer to Note 18)	8,000,000	-	-	-	**8,000,000**
Shares issued upon exercise of options (refer to Note 18)	189,100	-	-	-	**189,100**
Balance at 30 June 2017	**19,303,138**	**914,071**	**1,211,436**	**(11,019,155)**	**10,409,490**

* Refer to Note 4(b)

Note: This statement should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Cash Flows

For the year ended 30 June 2018

	Notes	30 June 2018 $	30 June 2017 (Restated)* $
Operating activities			
Interest received	7	423,240	126,868
Payments to suppliers and employees		(4,584,512)	(2,108,618)
Rental bond paid		(56,500)	-
Interest paid – finance lease		(2,588)	(758)
Government grants	7	77,897	131,510
Net cash used in operating activities	22	**(4,142,463)**	**(1,850,998)**
Investing activities			
Hadrian development costs	15	(19,672,336)	(1,850,442)
Research and development rebate received		972,623	535,868
Purchase of property, plant and equipment		(1,286,293)	(141,945)
Proceeds from disposals of property, plant and equipment		-	-
Net cash provided by investing activities		**(19,986,006)**	**(1,456,519)**
Financing activities			
Proceeds from exercise of options		1,561,150	189,100
Purchase of property, plant and equipment under finance lease		-	(52,235)
Proceeds from issue of share capital	18	37,646,600	8,000,000
Capital raising costs	18	(1,773,378)	-
Net cash provided by financing activities		**37,434,372**	**8,136,865**
Net change in cash and cash equivalents		**13,305,903**	**4,829,348**
Cash and cash equivalents, beginning of period		8,650,755	3,821,407
Cash and cash equivalents, end of period	10	**21,956,658**	**8,650,755**

* Refer to Note 4(b)

Note: This statement should be read in conjunction with the notes to the financial statements.

Notes to the Consolidated Financial Statements

1 Nature of operations

Fastbrick Robotics Limited and its controlled subsidiaries ('FBR' or 'the Company') is developing technology to build an automated robotic machine with the aim of it being capable of completing the brickwork of a Full Home Structure in approximately 3 days at potentially significantly lower cost and higher quality than traditional methods. The Company has secured patents to protect its intellectual property rights in its technology in key markets.

2 General information and statement of compliance

The consolidated general purpose financial statements of the Company have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB). Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). FBR is a for-profit entity for the purpose of preparing the financial statements.

FBR is the Company's Ultimate Parent Company. FBR is a Public Company incorporated and domiciled in Australia. The address of its registered office and its principal place of business is 122 Sultana Road West, High Wycombe WA 6057.

The consolidated financial statements for the year ended 30 June 2018 have been approved and authorised for issue by the Board of Directors.

3 Going Concern

The Consolidated Financial Report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business. The Company held cash and cash equivalents at balance date of $21,956,657 and was working capital positive. The Company has prepared a cash flow forecast for the next year which provides for completion of the first Hadrian X construction robot through testing and commissioning and operation. The Company's forecast demonstrates that there are sufficient cash reserves and receivables for next year to provide the necessary working capital for the Company to continue its ongoing Hadrian X programme and to provide the necessary working capital to cover its corporate costs over the next year.

4 Changes in accounting policies

a) New and revised standards that are effective for these financial statements

In the financial year ended 30 June 2018, the Company has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2017. It has been determined by the Company that, there is no impact, material or otherwise, of the new and revised standards and interpretations on its business and therefore no change is necessary to Company accounting policies.

b) Restatement of prior period for change in accounting policy

The Group has changed its accounting policy for research and development costs which, as a result, includes research and development tax incentives received from the Australian Taxation Office recognised within capitalised development costs. The change in accounting policy has been applied to the prior period by restating the affected financial statement line items as follows:

Statement of financial position (extract)

	30-Jun-17		
	Previous amount	**Adjustment**	**Restated amount**
	$	$	$
Development costs	2,532,791	(1,187,462)	1,345,329
Net assets	11,596,952	(1,187,462)	10,409,490
Accumulated losses	(9,831,693)	(1,187,462)	(11,019,155)
Total equity	**11,596,952**	**(1,187,462)**	**10,409,490**

Statement of profit or loss and other comprehensive income (extract)

	30-Jun-17		
	Previous amount	**Adjustment**	**Restated amount**
	$	**$**	**$**
Other income	1,445,840	(1,187,462)	258,378
Loss before tax	**(1,379,645)**	**(1,187,462)**	**(2,567,107)**
Total comprehensive loss for the period	**(1,379,645)**	**(1,187,462)**	**(2,567,107)**
Basic loss per share in cents per share	(0.19)	(0.17)	(0.36)
Diluted loss per share in cents per share	(0.19)	(0.17)	(0.36)

c) Accounting Standards issued but not yet effective and not been adopted early by the Company

The Company has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the financial year ended 30 June 2018. As a result of this review, the Directors have determined that the following new Standards and Interpretations will impact, material or otherwise, the accounting policies of the Company:

New / revised pronouncement	Superseded pronouncement	Nature of change	Effective date	Likely impact on initial application
AASB 9 Financial Instruments (December 2014)	AASB 139 Financial Instruments: Recognition and Measurement	AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities and includes a forward-looking 'expected loss' impairment model and a substantially-changed approach to hedge accounting. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes are: a Financial assets that are debt instruments will be classified based on: (i) the objective of the entity's business model for managing the financial assets; and (ii) the characteristics of the contractual cash flows. b Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income (instead of in profit or loss). Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument. c Introduces a 'fair value through other comprehensive income' measurement category for particular simple debt instruments. d Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases. e Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows: – the change attributable to changes in credit risk are presented in Other Comprehensive Income (OCI) – the remaining change is presented in profit or loss If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss. Otherwise, the following requirements have generally been carried forward unchanged from AASB 139 into AASB 9: –	1 January 2018	The entity is yet to undertake a detailed assessment of the impact of AASB 9. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2019.

New / revised pronouncement	Superseded pronouncement	Nature of change	Effective date	Likely impact on initial application
(continued)	*(continued)*	e *(continued)* – classification and measurement of financial liabilities; and – derecognition requirements for financial assets and liabilities. AASB 9 requirements regarding hedge accounting represent a substantial overhaul of hedge accounting that enable entities to better reflect their risk management activities in the financial statements. Furthermore, AASB 9 introduces a new impairment model based on expected credit losses. This model makes use of more forward-looking information and applies to all financial instruments that are subject to impairment accounting.	*(continued)*	*(continued)*
AASB 15 Revenue from Contracts with Customers	AASB 118 *Revenue* AASB 111 *Construction Contracts* Int. 13 *Customer Loyalty Programmes* Int. 15 *Agreements for the Construction of Real Estate* Int. 18 *Transfer of Assets from Customers* Int. 131 *Revenue – Barter Transactions Involving Advertising Services* Int. 1042 Subscriber Acquisition Costs in the Telecommunications Industry	AASB 15: • replaces AASB 118 *Revenue*, AASB 111 *Construction Contracts* and some revenue-related Interpretations: – establishes a new revenue recognition model – changes the basis for deciding whether revenue is to be recognised over time or at a point in time – provides new and more detailed guidance on specific topics (e.g. multiple element arrangements, variable pricing, rights of return, warranties and licensing) – expands and improves disclosures about revenue.	1 January 2018 (for-profit entities)	The entity is yet to undertake a detailed assessment of the impact of AASB 15. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2019.
AASB 16 Leases	AASB 117 *Leases* Int. 4 *Determining whether an Arrangement contains a Lease* Int. 115 *Operating Leases—Lease Incentives* Int. 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*	AASB 16: • replaces AASB 117 *Leases* and some lease-related Interpretations • requires all leases to be accounted for 'on-balance sheet' by lessees, other than short-term and low value asset leases • provides new guidance on the application of the definition of lease and on sale and lease back accounting • largely retains the existing lessor accounting requirements in AASB 117 • requires new and different disclosures about leases.	1 January 2019	The entity is yet to undertake a detailed assessment of the impact of AASB 16. However, based on the entity's preliminary assessment, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2020.

5 Summary of accounting policies

a) Basis of consolidation

The Company financial statements consolidate those of the Parent Company and all of its subsidiaries as of 30 June 2018. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June.

All transactions and balances between FBR companies are eliminated on consolidation, including unrealised gains and losses on transactions between FBR companies. Where unrealised losses on intra-Company asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a Company perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Company.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

b) Segment reporting

The Company has identified one operating segment based on the internal reports that are reviewed and used by the executive management team (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The Company operates in Australia (building technology) and prepares reports internally by this location.

Other prospective opportunities outside of this geographical location are also considered from time to time, and if they are secured, will then be attributed to the geographical location where they are located.

All of the Company's non-current assets are held in Australia and all interest revenue is derived from funds invested in short-term money market instruments, all of which are held within Australia.

c) Income

Interest and dividend income
Interest income and expenses are reported on an accrual basis using the effective interest method. Dividends, other than those from investments in associates, are recognised at the time the right to receive payment is established.

d) Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

e) Leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period. Leased assets are depreciated on a straight-line basis over their estimated useful lives.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses in the periods in which they are incurred.

f) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash within three (3) months or less and which are subject to an insignificant risk of changes in value.

g) Property, plant and equipment

Plant and Equipment

All plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the profit or loss during the reporting period in which they are incurred.

Depreciation is calculated over the estimated useful life of the asset as follows:

	Method	**Useful Lives**
Plant and equipment	Straight Line	3 years
Office fitout and equipment	Straight Line	2-10 years
Plant and equipment – leased	Straight Line	3-4 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

h) Impairment testing of property, plant and equipment

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. The

data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risks factors.

Impairment losses for cash-generating units are charged pro rata to the other assets in the cash-generating unit. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment charge is reversed if the cash-generating unit's recoverable amount exceeds its carrying amount.

i) Research and development

Research costs are expensed in the period in which they are incurred. Patents costs that relate to projects that are in the research phase are expensed.

Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the consolidated entity is able to use or sell the asset; the consolidated entity has sufficient resources; and intent to complete the development and its costs can be measured reliably. Capitalised development costs are amortised over the period of their expected useful life. Patents costs that relate to projects that are in the development phase are capitalised.

Research and development grants receivable are matched to their classification of expenditure. In the periods where research costs are expensed, the related research and development grant is reported in the Consolidated Statement of Profit or Loss and Other Comprehensive Income as other income. In periods where the Group incurs Development Costs, the related Research and Development grant is recognised as a credit to capitalised development costs, reported in the Consolidated Statement of Financial Position (refer note 4(b)).

j) Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument, and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following category upon initial recognition:

- loans and receivables

All financial assets, except for those at fair value through profit and loss, are subject to review for impairment, at least at each reporting date, to identify whether there is any objective evidence that a financial asset or a Company of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Company's trade and most other receivables fall into this category of financial instruments.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in Companies, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified Company.

Classification and subsequent measurement of financial liabilities
The Company's financial liabilities are trade and other payables.

Financial liabilities are measured at amortised cost with gains or losses recognised in profit or loss.

k) Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, the Australian Taxation Office (ATO) and other fiscal authorities relating to the current or prior reporting periods that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the Company's forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

FBR and its wholly-owned Australian controlled entities is in the process of implementing the tax consolidation legislation. Following implementation and as a consequence, these entities will be taxed as a single entity and the deferred tax assets and liabilities of these entities are to be set off in the consolidated financial statements.

l) Equity, reserves and dividend payments

Share capital represents the fair value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share capital, net of any related income tax benefits.

Other components of equity include the following:

- Share options reserve comprises the expense of vested share-based payments.
- Retained earnings include all current and prior period retained profits.

All transactions with owners of the parent are recorded separately within equity.

m) Employee benefits

Short-term employee benefits

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. Examples of such benefits include wages and salaries, non-monetary benefits and accumulating personal leave. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The Company's liabilities for annual leave and long service leave are included in other long term benefits as they are not expected to be settled wholly within twelve (12) months after the end of the period in which the employees render the related service. They are measured at the present value of the expected future payments to be made to employees. The expected future payments incorporate anticipated future wage and salary levels, experience of employee departures and periods of service, and are discounted at rates determined by reference to market yields at the end of the reporting period on high quality corporate bonds that have maturity dates that approximate the timing of the estimated future cash outflows. Any re-measurements arising from experience adjustments and changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

The Company presents employee benefit obligations as current liabilities in the statement of financial position if the Company does not have an unconditional right to defer settlement for at least twelve (12) months after the reporting period, irrespective of when the actual settlement is expected to take place.

Defined Contribution Plans
The Company pays fixed contributions into independent entities in relation to several state plans and insurance for individual employees. The Company has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that relevant employee services are received.

n) Share-based payments

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled.

If the terms of an equity-settled award are modified, as a minimum, an expense is recognised as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the share-based arrangement, or is otherwise beneficial to the recipient, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of diluted loss per share.

o) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

p) Significant management judgement and estimates in applying accounting policies

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the last annual financial statements for the year ended 30 June 2018.

Additional significant estimates and judgements include:

Key estimate – Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of the options issued during the reporting period has been determined by using various models as appropriate. Details of the estimates used to determine the fair value are detailed in Note 19.

6 Segment reporting

The Company has identified one operating segment based on the internal reports that are reviewed and used by the executive management team (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The Company operates in Australia (building technology) and prepares reports internally by this location.

Other prospective opportunities outside of this geographical location are also considered from time to time, and if they are secured, will then be attributed to the geographical location where they are located.

All of the Company's non-current assets are held in Australia and all interest revenue is derived from funds invested in short-term money market instruments, all of which are held within Australia.

7 Income

	Consolidated	
	30 June 2018	**30 June 2017 (Restated)***
	$	**$**
Interest income	457,589	126,868
Government grants	77,897	131,510
	535,486	**258,378**

* Refer to Note 4(b)

8 Expenses

a) Professional services

	Consolidated	
	30 June 2018	30 June 2017
	$	$
Marketing	361,116	131,787
Accountancy	212,037	59,384
Corporate consultants	1,525,158	299,768
	2,098,311	**490,939**

b) Directors' and employees' benefits

	Consolidated	
	30 June 2018	30 June 2017
	$	$
Wages, salaries and directors' fees	6,890,950	1,947,666
Superannuation	476,591	108,926
Annual leave entitlements	114,260	35,398
Long service leave entitlements	10,198	-
Recharge to Hadrian Development Costs	(5,866,099)	(1,515,390)
	1,625,900	**576,600**

c) Other expenses

	Consolidated	
	30 June 2018	30 June 2017
	$	$
Legal costs	240,574	169,286
Insurance	108,194	28,777
Travel expenses	521,417	177,934
Compliance costs	259,292	137,999
Subscriptions	108,214	40,533
Staff training costs	2,936	24,859
Patent Costs	-	188,919
Other administration expenses	370,649	159,252
Recruitment costs	180,335	-
Website development costs	124,040	18,305
	1,915,651	**945,864**

9 Income tax expense

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of Fastbrick Robotics Ltd at 27.5% (2017: 27.5%) and the reported tax expense in profit or loss are as follows:

	30 June 2018 $	30 June 2017 (Restated)* $
Loss from continuing operations before income tax expense	(7,115,679)	(2,567,107)
- Prima facie tax benefit on loss from ordinary activities before income tax at 27.5%	(1,956,812)	(705,954)
Add (less) tax effect of:		
- Diminution in value of investment	-	-
- Non-taxable capital gain	-	-
- Listing fee on reverse takeover	-	-
- Pre-acquisition adjustments	-	-
- Non-deductible items (permanent)	766,019	(277,590)
- Temporary differences	(40,594)	(17,190)
- Current year losses not brought to account as future income tax benefit	1,231,387	445,555
Income tax expense	**-**	**-**

*Refer to Note 4(b)

Deferred tax assets and liabilities not recognised relate to the following:

	30 June 2018 $	30 June 2017 (Restated)* $
DTA		
Tax losses (Company) - Gross $14,484,757- Note 1	4,176,985	3,012,776
Other temporary differences (DTA closing balance)	662,432	115,666
DTL		
Other temporary differences (DTL closing balance)	(3,372,394)	(29,127)
Net deferred tax assets not recognised at 27.5%	**1,467,021**	**3,099,314**

Note 1: FBR does not currently recognise any deferred tax asset arising from carried forward tax losses.

The estimated potential deferred tax asset at 27.5% not brought to account which is attributable to tax losses carried forward at 30 June 2018 is approximately $4,176,985 (2017: $3,012,776).

10 Cash and cash equivalents

Cash and cash equivalents include the following components:

	Consolidated	
	30 June 2018	30 June 2017
	$	$
Cash at bank and on deposit	**21,956,657**	**8,650,755**

Security deposits held by the Company's bank in relation to credit card facilities and rental properties total $307,000 (2017: $50,000).

11 Trade and other receivables

Trade and other receivables consist of the following:

	Consolidated	
	30 June 2018	30 June 2017
	$	$
Research and Development rebate	7,376,139	651,594
GST Receivable	730,570	105,751
Interest receivable	34,349	-
Other receivables	23,872	-
	8,164,930	**757,345**

All amounts are short-term. The net carrying value of trade and other receivables is considered a reasonable approximation of fair value.

The carrying amount of trade and other receivables is considered a reasonable approximation of fair value as this financial asset (which is measured at amortised cost) is expected to be settled within six (6) months, such that the time value of money is not significant.

All of the Company's trade and other receivables have been reviewed for indicators of impairment with none being noted.

12 Other current assets

Other current assets consist of the following:

	Consolidated	
	30 June 2018	30 June 2017
	$	$
Prepayments	295,144	105,917
	295,144	**105,917**

13 Financial assets and liabilities

a. Categories of financial assets and liabilities

Note 5 j) provides a description of each category of financial assets and financial liabilities and the related accounting policies.

The carrying amounts of financial assets and financial liabilities in each category are as follows:

	Notes	Financial assets at amortised cost $	Total $
30 June 2018			
Financial assets			
Cash and cash equivalents	10	21,956,657	21,956,657
Trade and other receivables	11	8,164,930	8,164,930
		30,121,587	**30,121,587**
Financial liabilities			
Trade and other payables	16	2,273,432	2,273,432
Finance lease	26	40,493	40,493
		2,313,925	**2,313,925**

	Notes	Financial assets at amortised cost $	Total $
30 June 2017			
Financial assets			
Cash and cash equivalents	10	8,650,755	8,650,755
Trade and other receivables	11	757,345	757,345
		9,408,100	**9,408,100**
Financial liabilities			
Trade and other payables	16	502,534	502,534
Finance lease	26	53,787	53,787
		556,321	**556,321**

The methods used to measure financial assets and liabilities reported at fair value are described in Note 28.

b. Other financial instruments

The carrying amount of the following financial assets and liabilities is considered a reasonable approximation of fair value:

- trade and other receivables;
- cash and cash equivalents;
- trade and other payables; and
- lease payables.

14 Property, plant and equipment

Details of the Company's property, plant and equipment and their carrying amount are as follows:

	Workshop equipment	Office fit out	Leased plant & equipment	Plant & equipment	Total
	$	$	$	$	$
Gross carrying amount					
Balance at 1 July 2017	34,394	174,423	52,235	-	261,052
Additions	408,383	817,538	-	60,373	1,286,293
Disposals	-	-	-		-
Balance at 30 June 2018	**442,777**	**991,961**	**52,235**	**60,373**	**1,547,345**
Depreciation and impairment					
Balance at 1 July 2017	(8,065)	(41,948)	(3,264)	-	(53,277)
Disposals	-	-	-	-	-
Depreciation*	(33,033)	(172,356)	(13,056)	(5,683)	(224,128)
Balance at 30 June 2018	**(41,098)**	**(214,304)**	**(16,320)**	**(5,683)**	**(277,405)**
Carrying amount at 30 June 2018	**401,679**	**777,657**	**35,915**	**54,690**	**1,269,940**

*$207,587 of depreciation charges for the current year have been capitalised to development costs of the Hadrian X.

15 Development costs

Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility, the consolidated entity is able to use or sell the asset, the consolidated entity has sufficient resources; and intent to complete the development and its costs can be measured reliably. Capitalised development costs are amortised over the period of their expected life. Patent costs that relate to projects that are in the development phase are capitalised.

The following tables show the movements in development costs associated with the Hadrian X:

	Consolidated	
	30 June 2018	**30 June 2017 (Restated)***
	$	**$**
Gross carrying amount	1,345,329	-
Additions	21,145,957	2,532,791
R&D tax incentives	(7,697,167)	(1,187,462)
Disposals	-	-
	14,794,119	**1,345,329**
Additions		
Software development	16,585	134,404
Consultants	4,900,069	57,376
Employee benefits	5,909,932	1,535,472
Equipment hire	38,216	66,790
Materials	5,998,574	314,675
Occupancy expense	555,293	160,326
Share-based payments	890,063	255,000
Patents and Trademarks	368,690	-
Overheads and Other	2,468,535	8,748
Total additions	**21,145,957**	**2,532,791**
R&D Tax Incentives		
R&D tax incentives received and accrued	**(7,697,167)**	**(1,187,462)**

*Refer Note 4(b)

16 Trade and other payables

Trade and other payables consist of the following:

	Consolidated	
	30 June 2018	30 June 2017
	$	$
Trade creditors	1,010,600	267,773
Accrued expenses	335,559	22,638
Other payables	927,272	212,123
	2,273,431	**502,534**

All amounts are short-term. The carrying values of trade payables and other payables are considered to be a reasonable approximation of fair value.

17 Provisions

All provisions are considered current. The carrying amounts and movements in the provisions account are as follows:

	Consolidated	
	30 June 2018	30 June 2017
	$	$
Employee entitlements – Annual leave	520,895	101,310
Employee entitlements – Long service leave	32,962	-
	553,857	**101,310**

The current portion of these liabilities represents the Company's obligations to its current and former employees that are expected to be settled during 2019.

18 Share capital

Ordinary shares

	2018		2017	
	$	No.	$	No.
Ordinary shares, fully paid	57,899,177	1,061,098,827	19,303,138	764,590,215

18 Share capital (continued)

	$	No.
Movement in ordinary shares on issue		
Shares on issue at 1 July 2017	19,303,138	764,590,215
Capital raising		
4 July 2017 (at $0.10 per share)	2,646,600	26,466,000
22 November 2017 ($0.19 per share)	35,000,000	184,210,526
Capital raising costs	(1,773,378)	-
Option conversion		
31 July 2017 (at $0.02 cents per option)	100,000	5,000,000
31 July 2017 (at $0.08 cents per option)	4,900	61,250
7 August 2017 (at $0.08 per option)	20,000	250,000
25 August 2017 (at $0.08 per option)	15,000	187,500
8 September 2017 (at $0.08 per option)	50,000	625,000
20 October 2017 (at $0.02 per option)	256,742	12,837,055
3 November 2017 (at $0.02 per option)	75,000	3,750,000
22 November 2017 (at $0.02 per option)	384,509	19,225,445
5 December 2017 (at $0.02 per option)	275,000	13,750,000
5 December 2017 (at $0.08 per option)	5,000	62,500
15 January 2018 (at $0.02 per option)	200,000	10,000,000
17 April 2018 (at $0.02 per option)	175,000	8,750,000
Performance rights vested (10 October 2017)	1,161,666	11,333,336
Shares on issue at 30 June 2018	**57,899,177**	**1,061,098,827**

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held and in proportion to the amount paid up on the shares held. At shareholders meetings, each ordinary share is entitled to one vote in proportion to the paid up amount of the share when a poll is called, otherwise each shareholder has one vote on a show of hands.

148,562,757 ordinary shares were released from escrow on 20 November 2017.

The share capital of FBR consists only of fully paid ordinary shares, and the shares do not have a par value. All ordinary shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting of FBR.

18 Share capital (continued)

Performance shares

There were no performance shares issued during the current year (2017: nil).

The following table illustrates the outstanding performance shares granted, exercised and forfeited during the year.

	2018 Number	2017 Number
Outstanding at 1 July	499,999,998	499,999,998
Granted during the year	-	-
Converted during the year	-	-
Cancelled/forfeited during the year		
Performance Shares at 30 June	**499,999,998**	**499,999,998**

Performance shares do not have a par value. Performance shares are not eligible to receive dividends or repayment of capital. Performance shares are not entitled to vote at the shareholders' meeting of FBR.

Each performance share converts to 1 ordinary share for nil consideration upon satisfaction of the vesting conditions detailed below.

Under the Goldwing Offer and pursuant to the prospectus dated 23 September 2015, the Company allotted 499,999,998 unquoted performance shares to the shareholders of FBR. These Performance Shares have the following escrow period and are split in the following categories classes:

a) 76,747,668 – released from escrow on 18 November 2016

b) 423,252,330 – released from escrow on 18 November 2017

(i) **166,666,666 Performance Shares Class A**
Vesting condition for Class A; Upon successful demonstration of the Company's robotic building technology as proven by the construction of a 3 bedroom, 2 bathroom home structure within three (3) days from commencement of construction by the Company's robotic home building technology on the site. If unconverted, Class A Performance Shares will expire after 36 months from the date of issue;

(ii) **166,666,666 Performance Shares Class B**
Vesting condition for Class B; Upon successful completion, being payment for service, of the Company's tenth home structure constructed under a commercial arm's length contract. If unconverted, Class B Performance Shares will expire after 48 months from the date of issue; and

(iii) **166,666,666 Performance Shares Class C**
Vesting condition for Class C; Upon achievement by the Company of reported annual operating revenue in a financial year attributable to the FBR technology (excluding grant receipts and R&D rebates received from the ATO) of at least $10,000,000. If unconverted, Class C Performance Shares will expire after 60 months from the date of issue.

19 Share based payments

Ordinary shares

There were no ordinary shares granted as consideration for services provided to the Company during the year.

Options

On the 1 March 2018, 6,750,000 options were granted to certain employees of the Company. These options have an exercise price of $0.30 per option, and expiry date of 14 March 2021, and vest upon the option holder remaining employed with the Company on the following dates;

- 1/3 options vest on 1 July 2018
- 1/3 options vest on 1 July 2019
- 1/3 options vest on 1 July 2020

The Black-Scholes option pricing model was used to value these options. Inputs into the valuation model were as stated in the table above, and as follows:

- Spot price: The spot price of the Company's shares was $0.155 per share at the close of trade on 1 March 2018, the closing price immediately prior to Valuation Date.
- Expected future volatility: The share price volatility of the Company at 103% for the securities, was calculated and based on assessing historical volatility over recent trading periods.
- Risk free rate: Determined based on volatility yields of Commonwealth bonds using a three-year bond, the period which most closely corresponds to the maximum life of the Options. The interest rates were measured as the closing rate on the day prior to the Valuation Date. A three (3) year bond yielded 2.09% on 1 March 2018, as disclosed by the Reserve Bank of Australia.
- Dividend yield: Assumed dividend yield of 0% as the Company does not have a history of paying dividends and is not expected to declare or pay any dividends over the life of the Rights.

The fair value of these 6,750,000 options granted during the current year was $563,207. $184,514 has been expensed for the current year, and a further $74,959 capitalised, based on the number of options vested during the current year.

On the 18 April 2018, 4,050,000 options were granted to certain employees of the Company. 3,750,000 of these options have an exercise price of $0.30 per option, an expiry date of 11 May 2021, and vest upon the option holder remaining employed with the Company on the following dates;

- 1/3 options vest on 1 July 2018
- 1/3 options vest on 1 July 2019
- 1/3 options vest on 1 July 2020

300,000 of these options have an exercise price of $0.325 per option, an expiry date of 11 May 2021, and vest upon the commencement date of employment of the option holder.

The Black-Scholes option pricing model was used to value these options. Inputs into the valuation model were as stated in the table above, and as follows:

19 Share based payments (continued)

- Spot price: The spot price of the Company's shares was $0.17 per share at the close of trade on 18 April 2018, the closing price immediately prior to Valuation Date.
- Expected future volatility: The share price volatility of the Company at 103% for the securities, was calculated and based on assessing historical volatility over recent trading periods.
- Risk free rate: Determined based on volatility yields of Commonwealth bonds using a three (3) year bond, the period which most closely corresponds to the maximum life of the Options. The interest rates were measured as the closing rate on the day prior to the Valuation Date. A three (3) year bond yielded 2.23% on 18 April 2018, as disclosed by the Reserve Bank of Australia.
- Dividend yield: Assumed dividend yield of 0% as the Company does not have a history of paying dividends and is not expected to declare or pay any dividends over the life of the Rights.

The fair value of these 4,050,000 options granted during the current year was $368,995. $56,769 has been expensed for the current year, and a further $111,741 capitalised, based on the number of options vested during the current year.

During the prior year 10,000,000 options were granted and subject to shareholder approval, to the Chief Operating Officer of the Company.

Number Issued	Grant Date	Expiry Date	Exercise Price (cents)	Fair Value at Grant Date (cents)
1,000,000(i)	21 April 2017*	30 June 2021	20	5.83
3,000,000(ii)	21 April 2017*	30 June 2021	20	5.86
3,000,000(iii)	21 April 2017*	30 June 2021	20	5.85
3,000,000(iv)	21 April 2017*	30 June 2021	20	5.82

*Shareholder approval was given on 2 October 2017 at a shareholder general meeting.

Vesting conditions

(i) Options vest upon issue of options
(ii) Options vest upon the 10 Day VWAP share price for the Company's shares being $0.20
(iii) Options vest upon the 10 Day VWAP share price for the Company's shares being $0.25
(iv) Options vest upon the 10 Day VWAP share price for the Company's shares being $0.30

The Hull-White option pricing model was used to value these options. Inputs into the valuation model were as stated in the table above, and as follows:

- Spot price: The spot price of the Company's shares was $0.105 per share at the close of trade on 30 June 2017, the closing price immediately prior to Valuation Date.
- Expected future volatility: The share price volatility of the Company at 94.66% for the securities, was calculated and based on assessing historical volatility over recent trading periods.
- Risk free rate: Determined based on volatility yields of Commonwealth bonds using a ten (10 year bond, the period which most closely corresponds to the maximum life of the Options. The interest rates were measured as the closing rate on the day prior to the Valuation Date. A ten (10) year bond yielded 2.58% on 30 June 2017, as disclosed by the Reserve Bank of Australia.
- Dividend yield: Assumed dividend yield of 0% as the Company does not have a history of paying dividends and is not expected to declare or pay any dividends over the life of the Rights.

19 Share based payments (continued)

The fair value of these 10,000,000 options granted during the prior year was $584,487. The accounting expense recognised for the current year is $377,540 based on the number of options vested during the current year (2017: $84,636).

At the date of the report, 7,000,000 options have vested due to meeting the vesting conditions (i), (ii) and (iii). Subsequently, 3,000,000 options have yet to vest at the reporting date.

The 75,000,000 options issued in a prior year were released from escrow on 18 November 2017.

The following table illustrates the outstanding options granted, exercised and forfeited during the year.

	2018		2017	
	Number	**Weighted average exercise price (cents)**	**Number**	**Weighted average exercise price (cents)**
Outstanding at 1 July	87,636,250	4	80,000,000	3
Granted during the year	10,800,000	30	10,000,000	22
Exercised during the year	(74,498,750)	2	(2,363,750)	8
Outstanding as at 30 June	**23,937,500**	**2**	**87,636,250**	**4**

The weighted average remaining contractual life for the share-based payment options outstanding as at 30 June 2018, was 2.61 years (2017: 2.52 years).

The range of exercise prices for share-based payment options outstanding as at the end of the year was $0.02 to $0.35 (2017: $0.02 to $0.35).

Performance rights

There were 15,050,000 performance rights issued during the current year (2017: 20,700,000).

The following table illustrates the outstanding performance rights granted, exercised and forfeited during the year.

	2018 Number	2017 Number
Outstanding at 1 July	20,700,000	-
Granted during the year	15,150,000	20,700,000
Converted during the year	(11,333,336)	-
Forfeited during the year	(100,000)	-
Performance rights at 30 June	**24,416,664**	**20,700,000**

19 Share based payments (continued)

On 24 November 2016, the shareholders approved the issue of 17,000,000 unlisted performance rights to the directors of FBR. These Performance Rights have no escrow period and are split in the following classes:

(i) **5,666,668 Performance Rights Class A**
Vesting condition for Class A; Upon the Company shares achieving a ten (10) day volume weighted average price ('VWAP') of $0.20.
Milestone date is three (3) years from the date of grant.
Expiry date is ten (10) business days from the applicable milestone date.
If unconverted, Class A Performance Rights will expire after 36 months from the date of issue;

(ii) **5,666,668 Performance Rights Class B**
Vesting condition for Class B; Upon the Company shares achieving a ten (10) day VWAP of $0.25.
Milestone date is three (3) years from the date of grant.
Expiry date is ten (10) business days from the applicable milestone date
If unconverted, Class B Performance Rights will expire after 36 months from the date of issue; and

(iii) **5,666,664 Performance Rights Class C**
Vesting condition for Class C; Upon the Company signing a binding global partnering agreement with a major global partner for the sale, distribution, licensing and/or manufacturing of the Company's IP and/or commercial bricklaying machine.
Milestone date is three (3) years from the date of grant.
Expiry date is ten (10) business days from the applicable milestone date
If unconverted, Class C Performance Rights will expire after 36 months from the date of issue.

The binomial pricing model was used to value these performance rights. Inputs into the valuation model were as stated in points (i) to (iii) above, and as follows:

- Spot price: The spot price of the Company's shares was $0.105 per share at the close of trade on 23 November 2016, the last date the Company's shares traded prior to the Valuation Date.
- Expected future volatility: Assumed volatility of 120% for the securities. This is calculated based on historical volatility over recent trading periods.
- Risk free rate: Determined based on volatility yields of Commonwealth bonds using three (3) year bond, the period which most closely corresponds to the lives of the Rights. The interest rates are measured as the closing rate on the day prior to the Valuation Date. A three (3) year bond yielded 1.88% on 23 November 2016, as disclosed by the Reserve Bank of Australia.
- Dividend yield: Assumed a dividend yield of 0% as the Company does not have a history of paying dividends and is not expected to declare or pay any dividends over the life of the Rights.

The fair value of these 17,000,000 performance rights granted during 2016, assuming that 100% of the performance rights will vest, was $1,785,000. The accounting expense recognised for the current year is $964,470, based on the number of performance rights vested during the current year (2017: $529,051).

19 Share based payments (continued)

During the year, 11,333,336 shares were issued as a result of the achievement of two of the three vesting conditions associated with the director equity plan. Subsequently, 5,666,664 Class C Performance Rights remain unconverted at the balance date.

On 20 March 2017, a further 2,700,000 performance rights were awarded to employees of FBR. These Performance Rights have no escrow period and are split in the following classes:

(i) **1,350,000 Performance rights Class A**
Vesting condition for Class A; Successful and fully operational completion of build of the Hadrian X by 31 December 2018. Hadrian X to successfully demonstrate key features as outlined in the Hadrian X launch Video.
Expiry date: 20 March 2020
If unconverted, Class A Performance Rights will expire on 31 December 2018.
The board under the Performance Rights Plan and offer has the discretion to amend the date to achieve the milestone vesting condition.

(ii) **1,350,000 Performance rights Class B**
Vesting condition for Class B; Upon successful demonstration of the Company's robotic home building technology as proven by the construction of a Full Home Structure within three (3) days from commencement of construction by the Company's robotic home building technology on the site.
Expiry date: 20 March 2020
If unconverted, Class B Performance Rights will expire on 12 November 2018.
The board under the Performance Rights Plan and offer has the discretion to amend the date to achieve the milestone vesting condition.

The fair value of these 2,700,000 performance rights granted during the prior year was $270,000, based on a closing share price of $0.10 per share on 20 March 2017 (Grant Date). 2,550,000 performance rights were issued to technical and engineering employees and as such $255,000 was capitalised to development costs. The remaining 150,000 performance rights were issued to corporate staff and as such $15,000 was expensed in the prior period.

On 11 May 2017, a further 1,000,000 performance rights were awarded to the Chief Operating Officer of FBR under the employee incentive share plan. These Performance Rights have no escrow period and are split into the following classes:

(i) **500,000 Performance rights Class A**
Vesting condition for Class A; Successful and fully operational completion of build of the Hadrian X by 30 September 2018. Hadrian X to successfully demonstrate key features as outlined in the Hadrian X launch Video.
Expiry date: 21 April 2020
If unconverted, Class A Performance Rights will expire on 30 September 2018.

(ii) **500,000 Performance rights Class B**
Vesting condition for Class B; Upon successful demonstration of the Company's robotic home building technology as proven by the construction of a Full Home Structure within three (3) days from commencement of construction by the Company's robotic home building technology on the site.
Expiry date: 21 April 2020
If unconverted, Class B Performance Rights will expire on 12 November 2018.

19 Share based payments (continued)

The fair value of these 1,000,000 performance rights granted during the prior year was $115,000, based on a closing share price of $0.12 per share on 21 April 2017 (Grant Date). The accounting expense recognised for the prior year was $115,000, as all performance rights vested during the prior year.

On 27 November 2017, the shareholders approved the issue of 5,200,000 unlisted performance rights to the directors of FBR. These Performance Rights have no escrow period and are split in the following classes:

(i) **1,733,334 Performance Rights Class A**
Vesting condition for Class A; Upon the Company shares achieving a fifteen (15) day volume weighted average price ('VWAP') of $0.325.
Escrow period applies if vesting hurdle met after grant date and before 1 July 2018.
If unconverted, Class A Performance Rights will expire on 31 December 2018;

(ii) **1,733,334 Performance Rights Class B**
Vesting condition for Class B; Upon the Company shares achieving a fifteen (15) day VWAP of $0.425.
Escrow period applies if vesting hurdle met after grant date and before 1 July 2019.
If unconverted, Class B Performance Rights will expire on 31 December 2019; and

(iii) **1,733,332 Performance Rights Class C**
Vesting condition for Class C; Upon the Company shares achieving a fifteen (15) day VWAP of $0.525.
Escrow period applies if vesting hurdle met after grant date and before 1 July 2020.
If unconverted, Class C Performance Rights will expire on 31 December 2020.

The binomial pricing model was used to value these performance rights. Inputs into the valuation model were as stated in points (i) to (iii) above, and as follows:

- Spot price: The spot price of the Company's shares was $0.20 per share at the close of trade on 27 November 2017, the last date the Company's shares traded prior to the Valuation Date.
- Expected future volatility: Assumed volatility of 100% for the securities. This is calculated based on historical volatility over recent trading periods.
- Risk free rate: Determined based on volatility yields of Commonwealth bonds using the period which most closely corresponds to the maximum lives of the Rights. The interest rates are measured as the closing rate on the day prior to the Valuation Date. The bond rates used were 1.72%, 1.76% and 1.91% as disclosed by the Reserve Bank of Australia.
- Dividend yield: Assumed a dividend yield of 0% as the Company does not have a history of paying dividends and is not expected to declare or pay any dividends over the life of the Rights.

The fair value of these 5,200,000 performance rights granted during the current year, assuming that 100% of the performance rights will vest, was $753,393. 3,580,000 performance rights were issued to Directors for their corporate services to the Company, and as such $169,696 was expensed in the current year based on the number of performance rights vested during the current year. The remaining 1,620,000 performance rights were issued to directors for their technical and engineering contribution to the Company, and as such $76,790 was capitalised to development costs, based on the number of performance rights vested during the current year.

19 Share based payments (continued)

On 16 February 2018, the Company issued 3,500,000 unlisted performance rights to the employees of FBR. These Performance Rights have no escrow period and are split in the following classes:

(i) **1,750,000 Performance Rights Class A**
Vesting condition for Class A; Successful and fully operational completion of build of the Hadrian X
Milestone date is 30 September 2018.
If unconverted, Class A Performance Rights will expire on the milestone date;

(ii) **1,750,000 Performance Rights Class B**
Vesting condition for Class B; Upon successful demonstration of the Company's robotic home building technology as proven by the construction of a Full Home Structure
Milestone date is 12 November 2018.
If unconverted, Class B Performance Rights will expire on the milestone date.

The performance shares have been valued using the spot price on grant date. The spot price was $0.17 per share at the close of trade on 15 December 2017, being the date the performance shares were approved by the board.

The fair value of these 3,500,000 performance rights granted during the current year, assuming that 100% of the performance rights will vest, was $577,500. 3,100,000 performance rights were issued to technical and engineering employees, and as such $329,287 was capitalised to development costs, based on the number of performance rights vested during the current year. The remaining 400,000 performance rights were issued to corporate employees and as such $42,489 was expensed in the current year based on the number of performance rights vested during the current year. 50,000 of these performance shares were cancelled upon the resignation of a corporate employee during the current year, as such $5,388 expense was reversed during the year.

On 14 March 2018, the Company issued 4,000,000 unlisted performance rights to the employees of FBR. These Performance Rights have no escrow period and are split in the following classes:

(i) **2,000,000 Performance Rights Class A**
Vesting condition for Class A; Successful and fully operational completion of build of the Hadrian X
Milestone date is 30 September 2018.
If unconverted, Class A Performance Rights will expire on the milestone date;

(ii) **2,000,000 Performance Rights Class B**
Vesting condition for Class B; Upon successful demonstration of the Company's robotic home building technology as proven by the construction of a Full Home Structure
Milestone date is 12 November 2018.
If unconverted, Class B Performance Rights will expire on the milestone date.

The performance rights have been valued using the spot price on grant date. The spot price was $0.16 per share at the close of trade on 1 March 2018, being the date the performance rights were approved by the board.

The fair value of these 4,000,000 performance rights granted during the current year, assuming that 100% of the performance rights will vest, was $640,000. 2,000,000 performance rights were issued to technical and

19 Share based payments (continued)

The fair value of these 4,000,000 performance rights granted during the current year, assuming that 100% of the performance rights will vest, was $640,000. 2,000,000 performance rights were issued to technical and

engineering employees, and as such $149,865 was capitalised to development costs, based on the number of performance rights vested during the current year. The remaining 2,000,000 performance rights were issued

to corporate employees and as such $183,169 was expensed in the current year based on the number of performance rights vested during the current year.

On 23 April 2018, the Company issued 2,450,000 unlisted performance rights to the employees of FBR. These Performance Rights have no escrow period and are split in the following classes:

(i) **1,225,000 Performance Rights Class A**
Vesting condition for Class A; Successful and fully operational completion of build of the Hadrian X
Milestone date is 30 September 2018.
If unconverted, Class A Performance Rights will expire on the milestone date.

(ii) **1,225,000 Performance Rights Class B**
Vesting condition for Class B; Upon successful demonstration of the Company's robotic home building technology as proven by the construction of a Full Home Structure
Milestone date is 12 November 2018.
If unconverted, Class B Performance Rights will expire on the milestone date.

The performance shares have been valued using the spot price on grant date. The spot price was $0.17 per share at the close of trade on 18 April 2018, being the date the performance shares were approved by the board.

The fair value of these 2,450,000 performance rights granted during the current year, assuming that 100% of the performance rights will vest, was $416,500. 1,586,000 performance rights were issued to technical and engineering employees, and as such $105,865 was capitalised to development costs, based on the number of performance rights vested during the current year. The remaining 864,000 performance rights were issued to corporate employees and as such $57,672 was expensed in the current year based on the number of performance rights vested during the current year. 50,000 of these performance shares were cancelled upon the resignation of a technical and engineering employees during the current year, as such $1,686 was reversed from capitalised development costs.

The weighted average fair value of the performance rights granted during the current year is $0.16 (June 2017: nil).

Performance rights do not have a par value. Performance rights are not eligible to receive dividends or repayment of capital. Performance rights are not entitled to vote at the shareholders' meeting of FBR.

20 Reserves

	2018 $	2017 $
Share option reserve	915,511	1,211,436
Performance right reserve	1,831,709	914,071
	2,747,220	**2,125,507**

Share option reserve comprises the expense of vested option share-based payments. The reconciliation is set out as follows:

	Notes	2018 $	2017 $
Movement in option reserve			
Opening at 1 July		1,211,436	1,211,436
Options vested during the year	19	805,522	-
Options cancelled or forfeited during the year		(1,101,447)	-
Closing at 30 June		**915,511**	**1,211,436**

Performance rights reserve comprises the expense of vested performance right share-based payments. The reconciliation is set out as follows:

	Notes	2018 $	2017 $
Movement in performance right reserve			
Opening at 1 July		914,071	-
Performance rights vested during the year	19	(1,161,666)	914,071
Performance rights issued during the year		2,079,304	-
Closing at 30 June		**1,831,709**	**914,071**

21 Earnings per share

Both the basic and diluted earnings per share have been calculated using the profit attributable to shareholders of the Legal Parent Company (Fastbrick Robotics Ltd) as the numerator, i.e. no adjustments to profits were necessary during the twelve (12) months period to 30 June 2018 and 30 June 2017.

In determining diluted EPS, 3,137,500 potential ordinary shares relating to options, performance rights and performance shares have not been included in the calculation as they are anti-dilutive.

The weighted average number of shares for the purposes of the calculation of diluted earnings per share can be reconciled to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

	30 June 2018 $	30 June 2017 $
Weighted average number of shares used in basic earnings per share	954,126,071	718,518,622
Shares deemed to be issued for no consideration in respect of share-based payments	-	-
Weighted average number of shares used in diluted earnings per share	**954,126,071**	**718,518,622**

22 Reconciliation of cash flows from operating activities

Reconciliation of cash flows from operating activities:

	30 June 2018 $	30 June 2017 (Restated)* $
Cash flows from operating activities		
Loss for the period	(7,115,679)	(2,567,107)
Adjustments for:		
• depreciation, amortisation and impairment	16,541	48,375
• share-based payments	1,994,763	763,707
• interest receivable	-	-
• costs capitalised recognised in investing activities	6,348,570	224,245
Net changes in working capital:		
• change in trade and other receivables	(7,407,585)	(728,083)
• change in other assets	(189,227)	(96,975)
• change in trade and other payables	2,210,154	504,840
Net cash from operating activities	**(4,142,463)**	**(1,850,998)**

*Refer to Note 4(b)

23 Auditor remuneration

	30 June 2018 $	30 June 2017 $
Total remuneration paid to Grant Thornton, the auditor of the Company:		
Audit and review of financial statements	40,000	30,000
Remuneration for audit and review of financial statements	**40,000**	**30,000**

24 Related party transactions

The Company's related parties include its Key Management Personnel.

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

The consolidated financial statements include the financial statements of Fastbrick Robotics Ltd and the entities listed in the following table.

		% Equity interest	
	Country of incorporation	June 2018	June 2017
Fastbrick IP Pty Ltd (1)	Australia	100%	100%
Fastbrick Engineering Pty Ltd (2)	Australia	100%	100%
The Architectural Designer Pty Ltd (3)	Australia	100%	100%

(1) equity interest is held directly by Fastbrick Robotics Ltd.
(2) equity interest is held directly by Fastbrick IP Pty Ltd.
(3) equity interest is held directly by Fastbrick Robotics Ltd.

Key Management Personnel remuneration

Key Management Personnel of the Company are the members of FBR's Board of Directors and members of the Executive Team. Key Management Personnel remuneration includes the following expenses:

	Consolidated	
	30 June 2018 $	30 June 2017 $
Short-term employee benefits	1,397,109	718,107
Post-employment benefits	90,979	45,999
Long-term benefits	112,059	40,741
Share based payments	2,182,451	728,706
	3,782,111	**1,533,553**

24 Related party transactions (continued)

Agreements with Directors or Related Parties

BDG Agreement
During the twelve (12) month period the Company paid $52,313 to BDG for equipment hire and rent in connection with the development of the FBR Technology, including the design and building of the Hadrian 109 Commercial Prototypes (2017: $133,967). The payments and agreements ceased on 31 December 2017.

Laurus Agreement
A consultancy agreement exists between the Company and Laurus Corporate Services Pty Ltd, an entity related to Mr Gabriel Chiappini, to provide director, financial, company secretarial and administrative services to the Company. The services are provided for a fee of $10,500 per month (excluding GST) and the services may be terminated by either party with six (6) months written notice. During the current year the Company paid $82,000 to Laurus Corporate Services Pty Ltd for corporate services provided in addition to the non-executive director fees, at arm's length rates and on normal commercial terms (2017: $88,000).

Exponential Insights Services Agreement
During the period Exponential Insights, an entity related to Mr Steve Pierz provided consulting services to the Company for a fee of US$10,000 per month for business development in North America. During the period, the Company paid $70,373 to Exponential Insights LLC.

Guarantees
There have been no guarantees provided or received for any related parties.

25 Contingent liabilities

At the reporting date the Company had no pending legal claims or other contingent liabilities (2017: nil).

26 Leases

Finance leases as lessee

As at 30 June 2018, the Company leases a motor vehicle under a finance lease (30 June 2017: finance lease). The Finance lease expense during the period amounted to $15,882 (2017: $3,971) representing the minimum lease payments.

The lease contract for the motor vehicle has a non-cancellable term of 48 months and expires 1 March 2021.

The future minimum lease payments are as follows:

	Minimum lease payments due			
	Within 1 year $	1-5 years $	After 5 years $	Total $
30 June 2018	13,970	26,523	-	43,675
30 June 2017	13,235	40,552	-	53,787

26 Leases (continued)

Operating leases as lessee

As at 30 June 2018, the Company operates leases in respect of an office, workshop and equipment. The operating lease expense during the period amounted to $461,513 (2017: $152,912) representing the minimum lease payments.

The lease contract for the main office and workshop has a non-cancellable term of eighteen (18) months and expires 31 March 2020.

During the year, the Company leased two additional workshop spaces. One from February 2018, that expires on 31 January 2019 and one from 1 June 2018, that expires on 31 October 2018 and has a one (1) month termination clause.

The future minimum lease payments are as follows:

	Minimum lease payments due			
	Within 1 year $	1-5 years $	After 5 years $	Total $
30 June 2018	555,870	187,500	-	743,370
30 June 2017	282,895	500,000	-	782,895

27 Financial instrument risk

a) Risk management objectives and policies

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities are summarised by category in Note 13. The main types of risks are market risk, credit risk and liquidity risk.

The Company's risk management is coordinated at its headquarters, in close cooperation with the Board of Directors, and focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to financial markets. Long-term financial investments are managed to generate lasting returns.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed are described below.

b) Market risk analysis

The Company is exposed to market risk, specifically interest rate risk, through the investment of excess working capital into the short term money market.

27 Financial instrument risk (continued)

Interest rate sensitivity

The consolidated entity's only exposure to interest rate risk is in relation to deposits held. Deposits are held with reputable banking financial institutions.

	2018		2017	
	Weighted average interest rate %	Balance $	Weighted average interest rate %	Balance $
Cash at bank	0.22%	5,650,157	0.50%	686,300
Cash on deposit	2.18%	16,306,500	2.04%	7,964,455
		21,956,657		**8,650,755**

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of +/- 0.5% (2017: +/- 0.5%). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

	Profit for the year		Equity	
	$ 0.50%	$ -0.50%	$ 0.50%	$ -0.50%
Cash at bank				
30-Jun-18	28,251	(28,251)	(28,251)	28,251
30-Jun-17	3,432	(3,432)	(3,432)	3,432
Cash on deposit				
30-Jun-18	81,533	(81,533)	(81,533)	81,533
30-Jun-17	39,822	(39,822)	(39,822)	39,822

c) Credit risk analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits, investment in bonds etc. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below:

	2018 $	2017 $
Classes of financial assets		
Carrying amounts:		
• cash and cash equivalents	21,956,657	8,650,755
• trade and other receivables	9,270,091	757,345
	31,226,748	**9,408,100**

27 Financial instrument risk (continued)

The Company continuously monitors defaults of counterparties, identified either individually or by Company and incorporates this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties.

The Company's management considers that all of the above financial assets that are not impaired or past due for each of the 30 June reporting dates under review are of good credit quality.

Trade receivables consist of GST refunds and Research and Development Rebates. Based on historical information about customer default rates management consider the credit quality of trade receivables that are not past due or impaired to be good.

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

d) Liquidity risk analysis

Liquidity risk is the risk that the Company might be unable to meet its obligations. The Company manages its liquidity needs by monitoring forecast cash inflows and outflows due in day-to-day business. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30 day projection. Long-term liquidity needs for a 180 day and a 360 day lookout period are identified monthly. Net cash requirements are compared to available borrowing facilities in order to determine headroom or any shortfalls. This analysis shows that available borrowing facilities are expected to be sufficient over the lookout period.

The Company's objective is to maintain cash and marketable securities to meet its liquidity requirements for 30 day periods at a minimum. This objective was met for the reporting periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The Company considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and trade receivables. The Company's existing cash resources and trade receivables (see Statement of Financial Position) significantly exceed the current cash outflow requirements. Cash flows from other receivables are all due within six (6) months.

As at 30 June 2018, the Company's non-derivative financial liabilities have contractual maturities (including interest payments where applicable) as summarised below:

	Current		Non-current	
	Within 6 months	**6 - 12 months**	**1 - 5 years**	**5+ years**
	$	**$**	**$**	**$**
30 June 2018				
Trade and other payables	2,273,432	-	-	-
Finance lease	6,985	6,985	26,523	-
Total	**2,280,417**	**6,985**	**26,523**	**-**

27 Financial instrument risk (continued)

This compares to the maturity of the Company's non-derivative financial liabilities in the previous reporting periods as follows:

	Current		Non-current	
	Within 6 months $	6 - 12 months $	1 - 5 years $	5+ years $
30 June 2017				
Trade and other payables	502,534	-	-	-
Finance lease	6,617	6,618	40,552	-
Total	**509,151**	**6,618**	**40,552**	**-**

The above amounts reflect the contractual undiscounted cash flows, which may differ to the carrying values of the liabilities at the reporting date.

28 Fair value measurement

Fair value measurement of financial instruments

The Directors have performed a review of the financial assets and liabilities as at 30 June 2018, and have concluded that the fair value of those assets and liabilities are not materially different to book values. The methods and assumptions used to estimate the fair value of financial instruments were:

- Cash - The carrying amount is fair value due to the liquid nature of these assets.
- Receivables/payables - Due to the short term nature of these financial rights and obligations, their carrying values are estimated to represent their fair values and equals the amount to be settled by the contracting party.

29 Events after the reporting date

2 July 2018 – FBR extended the Memorandum of Understanding ('MOU') with Caterpillar Inc ('Caterpillar') and entered into a new option deed. The parties agreed to extend the term of the MOU until 31 January 2019, in order to allow FBR additional time to demonstrate the technology to Caterpillar in line with the original intentions of the MOU. Under the new option, Caterpillar will have the ability to subscribe for shares in FBR to the total value of approximately US$10 million at a subscription price of AU$0.24 on or before 31 January 2019. The exercise of the new option is conditional upon Caterpillar entering into a Strategic Alliance Agreement with FBR and is subject to FBR shareholder approval.

10 July 2018 – FBR announced the appointment of Mr Steve Pierz as its Chief Innovation Officer, based full time in the United States. As part of this appointment, FBR announced the establishment of an office based in the United States as it looks to expand its global footprint.

15 July 2018 – FBR appointed Mr Richard Grellman AM as its new Non-Executive Chairman, following the retirement from the Board of Ms Shannon Robinson.

29 Events after the reporting date (continued)

10 August 2018 – FBR appointed Ms Nancy Milne OAM and Mr Andrew Bloore as Non-Executive Directors of the Company, following the retirement from the Board and the role of Joint Company Secretary of Mr Gabriel Chiappini.

22 August 2018 - FBR appointed Mr Peter Scott to its Advisory Committee.

29 August 2018 – FBR shareholders approved a change of Company name from Fastbrick Robotics Limited to FBR Limited and the grant of a new option to Caterpillar.

30 Parent entity information

The following information relates to the legal parent entity of the Company, being Fastbrick Robotics Ltd ('the Parent Entity'). The information presented has been prepared using consistent accounting policies as presented in Note 5.

	2018 $	2017 $
Statement of financial position		
Current assets	20,479,894	8,235,287
Non- current assets	2,980	-
Total assets	20,482,874	8,235,287
Current liabilities	1,053,434	138,493
Total liabilities	1,053,434	138,493
Net assets	**19,429,440**	**8,096,794**
Issued capital	80,486,041	41,890,003
Share option reserve	2,747,220	2,125,507
Retained losses	(63,803,821)	(35,918,716)
Total equity	**19,429,440**	**8,096,794**
Statement of profit or loss and other comprehensive income:		
Loss for the year	27,885,105	4,825,635
Other comprehensive income	-	-
Total comprehensive income	**27,885,105**	**4,825,635**

The Parent Entity has no capital commitments (2017: Nil).

The Parent Entity has not entered into a Deed of Cross Guarantee nor are there any contingent liabilities at the year end.

Directors' Declaration

1 In the opinion of the Directors of Fastbrick Robotics Ltd:

a The consolidated financial statements and notes of Fastbrick Robotics Ltd are in accordance with the *Corporations Act 2001*, including:

i Giving a true and fair view of its financial position as at 30 June 2018, and of its performance for the financial year ended on that date; and

ii Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and

b There are reasonable grounds to believe that Fastbrick Robotics Ltd will be able to pay its debts as and when they become due and payable.

2 The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer equivalent for the financial year ended 30 June 2018.

3 Note 2 confirms that the consolidated financial statements also comply with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors

Michael Pivac
Chief Executive Officer and Managing Director

Dated the 31st day of August 2018

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Independent Auditor's Report

To the Members of Fastbrick Robotics

Report on the audit of the financial report

Opinion

We have audited the financial report of Fastbrick Robotics (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2018, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a giving a true and fair view of the Group's financial position as at 30 June 2018 and of its performance for the year ended on that date; and

b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Grant Thornton

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Recognition of development costs asset - Note 15	
The Group has capitalised development costs in relation to the Hadrian X project. There is a risk that costs that have been capitalised may not comply with the recognition requirements relevant to AASB138 Intangible Assets. Management judgement is required to assess the commercial and technical feasibility of the Hadrian X project, including the future economic benefits. This area is a key audit matter due to the subjectivity involved in assessing the recognition criteria for capitalised development costs and the level of management judgement involved in any impairment indicators of the Hadrian X project.	Our procedures included, amongst others: • assessing the appropriateness of management's policy for capitalising development costs pursuant to AASB 138; • testing the mathematical accuracy of management's development costs model; • obtaining evidence to support the key assumptions used by management in the model and challenging those assumptions • selecting a sample of capitalised costs and agreeing to third party support to identity whether they have been appropriately capitalised in accordance with accounting policies; • examining existing patents held by the Group that support project activities; • examining MOU agreements in place to support technical and commercial feasibility; and • assessing the appropriateness of financial statement disclosures.
Recognition of R&D tax incentive – Note 15	
Under the research and development (R&D) tax incentive scheme, the Group receives a 43.5% refundable tax offset (2017: 43.5%) of eligible expenditure if its turnover is less than $20 million per annum, provided it is not controlled by income tax exempt entities. An R&D plan is filed with AusIndustry in the following financial year and, based on this filing, the Group receives the incentive in cash. Management performed a detailed review of the Group's total R&D expenditure to estimate the refundable tax offset receivable under the R&D tax incentive legislation. As at 30 June 2018, a receivable of $8,503,853 has been recorded. This area is a key audit matter due to the size of the accrual and the degree of judgement and interpretation of the R&D tax legislation required by management to assess the eligibility of the R&D expenditure under the scheme.	Our procedures included, amongst others: • comparing the nature of the R&D expenditure included in the current year estimate to the prior year claim; • utilising an internal R&D tax specialist to review the expenditure methodology employed by management for consistency with the R&D tax offset rules; • considering the nature of the expenditure against the eligibility criteria of the R&D tax incentive scheme to form a view about whether the expenses included in the estimate were likely to meet the eligibility criteria; • comparing the eligible expenditure used in the receivable calculation to the expenditure recorded in the general ledger; • assessing the treatment of the refundable tax offset in accordance with Group's stated accounting policy and accounting standards; • inspecting copies of relevant correspondence with AusIndustry and the ATO related to historic claims; and; • assessing the appropriateness of financial statement disclosures.

Grant Thornton

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors' for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in pages 9 to 20 of the Directors' report for the year ended 30 June 2018.

In our opinion, the Remuneration Report of Fastbrick Robotics, for the year ended 30 June 2018 complies with section 300A of the *Corporations Act 2001*.

Grant Thornton

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

P W Warr
Partner – Audit & Assurance

Perth, 31 August 2018