



FBR Limited Quarterly Report | September 2018

Highlights

- Operational completion of build of Hadrian X commercial prototype announced
- Dynamic Stabilisation Technology functionality demonstrated with the Hadrian X
- Global Partnership Agreement signed with Wienerberger AG, the world's largest clay block manufacturer
- Memorandum of Understanding with Caterpillar Inc. extended; new option granted
- Company name officially changed to FBR Limited
- R&D Tax Incentive cash refund of \$7.4 million received
- Executive team strengthened
- Board refreshed with appointment of new Non-Executive Chairman and two Non-Executive Directors
- Experienced construction professional Peter Scott appointed to Advisory Committee

Tuesday, 23 October 2018 – Robotic technology company **FBR Limited (ASX:FBR)** ('FBR' or 'the Company') is pleased to provide its quarterly update for the three months ending September 30, 2018.

Operational completion of build of Hadrian X commercial prototype announced; functionality of Dynamic Stabilisation Technology ('DST') with the Hadrian X demonstrated

During the September quarter the Company announced the operational completion of the Hadrian X commercial prototype. This involved the successful commissioning of the internal modules of the Hadrian X, together with successful testing of DST integration with the Hadrian X in a two-stage format. The first DST test was carried out on the layhead of the Hadrian X to prove that the Hadrian X could place a block with precision despite movement in the boom caused by external environmental forces. The second test was carried out utilising DST on both the boom and layhead of the Hadrian X to demonstrate the ability of each component to synchronously stabilise the Hadrian X, allowing for even greater accuracy when placing blocks.

Following the operational completion of the Hadrian X commercial prototype, the Company issued 6,600,000 shares to employees in accordance with the Performance Rights Plan approved by shareholders on 6 October 2015.

Global Partnership Agreement signed with Wienerberger AG

As announced to the ASX on 5 September 2018, FBR has entered into a Global Partnership Agreement with European block-making giant Wienerberger AG ('Wienerberger') to develop, manufacture and test clay blocks optimised for the Hadrian X construction robot, for introduction into global markets where Wienerberger is active. The newly developed clay blocks will be tested in a pilot project in Europe and will be launched in Wienerberger markets together with the Hadrian X upon successful completion.

Wienerberger is the world's largest producer of clay blocks with 193 production sites across 30 countries, has over 16,000 employees and is listed on the Vienna Stock Exchange.

Memorandum of Understanding with Caterpillar Inc. extended; new option granted



ASX Announcement

FBR Limited



FBR announced in July 2018 that the term of its Memorandum of Understanding ('MOU') with Caterpillar Inc. ('Caterpillar'), originally due to expire on 30 June 2018, was extended to 31 January 2019 in order to allow FBR additional time to demonstrate its technology to Caterpillar, in line with the original intentions of the MOU and FBR's development schedule. Further, FBR and a subsidiary of Caterpillar entered into a new option deed which provided Caterpillar with a new option to subscribe for FBR shares, intended to replace the previous Caterpillar option which expired on 30 June 2018. Under the new option, Caterpillar has the ability to subscribe for shares in FBR to the total value of US\$10 million at a subscription price of A\$0.24 on or before 31 January 2019. The pricing of the new option at \$0.24 represents a 20% increase from the previous option, priced at \$0.20.

The new option was approved by shareholders at the Extraordinary General Meeting held on 29 August 2018.

Company name officially changed to FBR Limited

After announcing a rebrand and submitting a resolution to change the Company name from Fastbrick Robotics Limited to FBR Limited, shareholder approval was granted at the Extraordinary General Meeting on 29 August 2018, with the name change becoming official on Monday, 17 September 2018. The change of name provides the Company with latitude for additional products and divisions in the future.

R&D Tax Incentive cash refund received

On Friday, 28 September 2018, the Company advised that it had received a research and development tax incentive cash refund of \$7,376,140 for the 12 month period ended 30 June 2018.

The R&D tax incentive program is jointly administered by the Australian Taxation Office and the Department of Innovation, Industry and Science on behalf of Innovation and Science Australia.

Board refreshed with appointment of new Independent Non-Executive Chairman and two Independent Non-Executive Directors; Executive team strengthened

During the period FBR announced the appointment of Mr Richard Grellman AM as Independent Non-Executive Chairman, following the retirement from the Board of Ms Shannon Robinson. Mr Grellman is currently the Non-Executive Chairman of IPH Limited, Director and Chairman of the Audit Committee of Bisalloy Steel Group Limited, and a Director of the National Health and Medical Research Council Institute for Dementia Research. Mr Grellman enjoyed a 32 year career with accounting firm KPMG. Further, in August 2018 FBR announced the appointments of Ms Nancy Milne OAM and Mr Andrew Bloore as Independent Non-Executive Directors of the Company, following the retirement from the Board and the role of Joint Company Secretary of Mr Gabriel Chiappini.

Ms Milne has extensive business experience as a Non-Executive Director and lawyer specialising in insurance, corporate governance, risk management and commercial dispute resolution. In addition to her role as Non-Executive Director, Ms Milne chairs FBR's Remuneration Committee.

Mr Bloore is highly experienced in design and delivery of disruptive technologies and distribution models, and has a strong strategy and profitability focus having been involved in a number of corporate transactions across his career. In addition to his role as Non-Executive Director, Mr Bloore chairs FBR's Audit & Risk Committee.

Mark Sheridan was promoted to the position of Chief Operating Officer, with Marcus Gracey moving into the role of Chief Corporate Development Officer. Steve Pierz was appointed Chief Innovation Officer following a 29 year career at Caterpillar Inc.



ASX Announcement

FBR Limited



Peter Scott appointed to Advisory Committee

Peter Scott was appointed to FBR's Advisory Committee during the period, joining inaugural Committee member Curtis Rodgers. Mr Scott spent 15 years with Brickworks Building Products, most recently serving as Group General Manager of Operations, 10 years at Bristle Limited, two years at AES Prodata and 14 years with Bunnings Building Supplies.

Ends

For more information please contact:

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About FBR

FBR Limited (ASX: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.

To learn more please visit www.fbr.com.au



Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Name of entity

FBR Limited

ABN

58 090 000 276

Quarter ended ("current quarter")

30 September 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising, marketing and business development	(324)	(324)
(d) leased assets	(3)	(3)
(e) staff costs – Administration	(1,022)	(1,022)
(f) administration and corporate costs	(487)	(487)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	95	95
1.5 Interest and other costs of finance paid	(1)	(1)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(1,742)	(1,742)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(44)	(44)
(b) businesses (see item 10)	-	-
(c) investments	-	-

+ See chapter 19 for defined terms

1 September 2016

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(d) intellectual property	(156)	(156)
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other		
	- Hadrian Development costs	(2,754)	(2,754)
	- staff costs – Hadrian Development	(3,001)	(3,001)
	- R & D rebate	7,376	7,376
2.6	Net cash from / (used in) investing activities	1,421	1,421

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	61	61
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	61	61

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	21,957	21,957
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,742)	(1,742)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	1,421	1,421
4.4	Net cash from / (used in) financing activities (item 3.10 above)	61	61
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	21,697	21,697

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	4,440	5,650
5.2	Call deposits	17,000	16,000
5.3	Bank overdrafts	-	-
5.4	Other (Guarantee facilities)	257	307
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	21,697	21,957

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

338

-

\$330k Directors' fees and reimbursements

\$8k Director & Corporate administration paid to Laurus Corporate Services Pty Ltd of which Gabriel Chiappini was a director and shareholder

7. Payments to related entities of the entity and their associates

**Current quarter
\$A'000**

7.1 Aggregate amount of payments to these parties included in item 1.2

-

7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

-

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

N/A

8. Financing facilities available

Add notes as necessary for an understanding of the position

**Total facility amount
at quarter end
\$A'000**

**Amount drawn at
quarter end
\$A'000**

8.1 Loan facilities

-

-

8.2 Credit standby arrangements

-

-

8.3 Other (please specify)

-

-

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

N/A

9. Estimated cash outflows for next quarter

\$A'000

9.1 Research and development

4,490

9.2 Product manufacturing and operating costs

-

9.3 Advertising, marketing and business development

240

9.4 Leased assets

3

9.5 Staff costs - Administration

1,125

9.6 Administration and corporate costs

800

9.7 Other (Patents & Trademarks)

305

9.8 Total estimated cash outflows*

6,963

10.	Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1	Name of entity	n/a	n/a
10.2	Place of incorporation or registration	n/a	n/a
10.3	Consideration for acquisition or disposal	n/a	n/a
10.4	Total net assets	n/a	n/a
10.5	Nature of business	n/a	n/a

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Aidan Flynn, Company Secretary

23 October 2018

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.