

Fastbrick Robotics Quarterly Report | March 2018

Highlights

- Hadrian X assembly approaching completion
- EY-Parthenon appointed as strategic advisor to assist with development of commercialisation and market entry strategies
- Advisory Committee established to provide guidance and industry support ahead of Build1
- Key appointments made to bolster FBR team and provide support for exciting growth phase

Monday, 30 April 2018 - Australian robotic technology company **Fastbrick Robotics Limited (ASX:FBR)** ('FBR' or 'the Company') is pleased to provide its quarterly update for the three months ending March 31, 2018.

Hadrian X Progress

FBR is nearing completion of the assembly phase of the Hadrian X programme, as announced in the Hadrian X programme update released to the ASX on 9 April 2018. The assembly phase commenced during the March quarter and is on track for completion in Q2 CY18.



Once the Hadrian X is fully assembled, FBR will then commence testing of the Dynamic Stabilisation Technology (DST) to confirm that the DST meets the functional and technical requirements for the Hadrian X, before entering the Factory Acceptance Testing (FAT) phase, where the Hadrian X will begin to build structures within a controlled factory environment.



Following FAT, the Hadrian X will move outdoors for field testing in preparation for Build1, a 3-bedroom, 2-bathroom structure built by the Hadrian X in under three days. This is currently scheduled to take place in Q4 CY18.

EY-Parthenon appointed as strategic advisor

As announced 8 January 2018, FBR has appointed EY-Parthenon as its global strategic advisor to assist with analysis of the global market opportunity and development of appropriate commercialisation strategies for FBR's Hadrian X target regions.

Subsequent to the end of the quarter, FBR announced the completion of a global market analysis for its Hadrian X construction robots, indicating that the addressable market for the Hadrian X is up to 150,000 construction robots. FBR intends to initially target 2% of this market over the next five years.

EY-Parthenon and FBR have now commenced Phase 2 of their analysis which is focused on internal business modelling and external end user value analysis. In particular, FBR and EY-Parthenon will be working with a select group of strategic international parties to analyse the potential benefits and value created through the utilisation of the Hadrian X.

Advisory Committee established

FBR established an Advisory Committee during the quarter (announced 15 January 2018), securing construction expert Curtis Rodgers as its inaugural member.

Mr Rodgers is a construction technologist, Principal Vice President at Brick & Mortar Ventures and lecturer with more than six years of process improvement experience on commercial, infrastructure, industrial and defence projects at both Kiewit and McCarthy Construction. Brick & Mortar Ventures is a San Francisco-based venture capital firm founded by Darren Bechtel, who is a member of the family that founded the Bechtel Corporation.

The Advisory Committee was established to provide the Company with guidance, advice and networking assistance ahead of completion of the Hadrian X and Build1.

FBR will look to appoint additional members to its Advisory Committee in the near future to assist with managing the rapid growth of the Company and the significant level of interest the Company continues to receive from parties all over the world.

Key appointments made to support growth phase

During the quarter, FBR renewed the contracts of CEO Mike Pivac and CTO Mark Pivac, securing their valuable leadership, vision, energy and experience as FBR enters the most critical stage of the Company's history.

Further bolstering the executive team, FBR appointed Aidan Flynn as CFO during the quarter (announced 3 January 2018). Mr Flynn has 20 years of corporate experience, and spent the eight years preceding his appointment at FBR as CFO and Company Secretary of ASX-listed Carnegie Clean Energy Limited.

With a large number of patent applications in draft form or various international phases, FBR has appointed an internal Chief Intellectual Property Counsel and a full time Patent Attorney to manage the existing IP portfolio and execute the FBR IP strategy. FBR's IP portfolio is a key pillar of its value

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proposition and expanding that portfolio with new applications for DST, among other things, is a priority for the Company.

FBR also appointed a Business Development Manager based in the Middle East and a Product Marketing Manager to support the executive team as the Hadrian X programme draws closer to the commercialisation stage.

Fastbrick Robotics Chief Executive Officer Mike Pivac: "The March quarter was one of the most significant in FBR's history. We made exciting progress on the Hadrian X programme, with assembly on track for completion in Q2 CY18, and we enhanced our corporate team to provide a strong foundation for growth ahead of FAT and Build1. The Hadrian X and its core technology, DST, are generating strong interest and enquiries from all over the world as completion of the assembly process draws near, and we are continuing to develop our relationships with Caterpillar and the Kingdom of Saudi Arabia."

Ends

For more information please contact:

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About FBR

Fastbrick Robotics Limited (ASX:FBR) is an Australian robotic technology company developing and commercialising digital construction technology solutions. FBR's revolutionary Hadrian X represents the first application of the Company's underlying intellectual property portfolio. Hadrian X is a globally patented construction robot and marks the transition to robots operating outdoors in uncontrolled environments using FBR's Dynamic Stabilisation Technology (DST).

FBR is committed to improving the safety, speed, accuracy, cost and waste management in the global construction industry through its innovations in mobile robotic technology.

To learn more please visit: www.fbr.com.au and to watch Hadrian X in motion please visit <http://tinyurl.com/y7yrgz82>



Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Name of entity

Fastbrick Robotics Ltd

ABN

58 090 000 276

Quarter ended ("current quarter")

31 March 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) Hadrian Development costs	(3,718)	(5,718)
(b) staff costs – Hadrian Development	(1,642)	(3,576)
(c) product manufacturing and operating costs	-	-
(d) advertising and marketing	(258)	(258)
(e) leased assets	-	-
(f) administration and corporate costs	(1,327)	(3,233)
(g) staff costs – Administration	(295)	(641)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	58	92
1.5 Interest and other costs of finance paid	-	(1)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other:		
- R & D rebate	-	973
- Commercial grants	-	63
1.9 Net cash from / (used in) operating activities	(7,183)	(12,300)

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(326)	(902)
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(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	-	-
2.6	Net cash from / (used in) investing activities	(326)	(902)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	37,647
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	200	1,386
3.4	Transaction costs related to issues of shares, convertible notes or options	(21)	(1,771)
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	179	37,262

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
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	40,041	8,651
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(7,183)	(12,300)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(326)	(902)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	179	37,262
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	32,712	32,712

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	2,134	2,995
5.2	Call deposits	30,323	36,996
5.3	Bank overdrafts	-	-
5.4	Other (Guarantee facilities)	255	50
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	32,712	40,041

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	228
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	

\$204k Directors' fees and reimbursements

\$24k Director & Corporate administration paid to Laurus Corporate Services Pty Ltd of which Gabriel Chiappini is a director and shareholder

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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 <i>Add notes as necessary for an understanding of the position</i>	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	8,600
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	150
9.4 Leased assets	10
9.5 Staff costs - Administration	400
9.6 Administration and corporate costs	1,200
9.7 Other (provide details if material)	200
9.8 Total estimated cash outflows	10,560

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.

Gabriel Chiappini

Gabriel Chiappini, Director

30 April 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.