

31 January 2022

December 2021 Quarterly Report

Key Points

- Security maintained in Palma district and indications for LNG project restart in H1 2022 strengthen.
- Wentworth camp contract settlement negotiations advanced.
- Contract opportunities outside of LNG and Cabo Delgado province continue.
- Operations and management restructure progressed both in Mozambique and Australia.

Labour and training specialist RBR Group Limited (ASX: RBR) presents its December 2021 Quarterly Report.

Wentworth Camp Project in Palma, Mozambique

As reported in the annual report the Group's Wentworth camp, held via operating subsidiary Projectos Dinamicos Lda ("PD") remains relatively intact as security in northern Cabo Delgado (from the regional capital of Pemba, north through the LNG site in Afungi, the Palma district and up to the Tanzanian border) has been restored and maintained following deployment of a large contingent of local and regional African "SADC" military personnel.

Access to Palma township is opening up paving the way for PD to deploy personnel to inspect and assess the condition of the camp and associated infrastructure. Easing of access has opened the door for management to progress discussions with the Company's insurance agents with the intent to arrange a formal assessment of damages and progress the existing insurance claim of circa US\$900k.

During the Quarter negotiations progressed with CCSJV regarding settlement of the dispute over outstanding monies owing on the Wentworth camp construction contract. Based on those positive discussions PD agreed to suspend temporarily; the formal arbitration process that commenced on 21 October 2021.

The Company is hopeful of a formal settlement in the near term and will make a further statement at that time.



Delivering skilled labour to site, every day

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FUTURO GROUP

Figure 1: April 2021

Figure 2: November 2021

Business Development

Mozambique

Although construction activities on the major LNG projects in the far northern province of Cabo Delgado remain suspended, other business opportunities of scale for RBR Group exist in other regions, such as the project works for Sasol (a South-African listed petroleum and chemicals company) in Inhambane province, and other prospects in Maputo, Inhambane and Nacala provinces.

As reported the Group opened new offices in Vilanculos, Inhambane province and staff have been redeployed to take full advantage of the opportunities emerging in the region. With particular focus on the Sasol PSA expansion project, management of Futuro Group operating subsidiary; Futuro Skills are now building alliances with local government departments to develop the local content policies and procedures for supply of unskilled and semi-skilled workers to the Project EPC's and sub-contractors. In addition, Futuro Skills has responded to a number of requests for tender ("RFT") in training both in the capital Maputo and across the provinces.

With the easing of Covid-19 restrictions Government departments and the Banking sector are back in full operation leading to shorter lead times in service delivery. This has boosted the demand for assistance and expediting services from Futuro Business Services. Although not material in dollar value demand for Work Visas and Permits services continues to grow and with it the profile of Futuro Group.

Camp construction and accommodation services provider PD has also focussed its attention on the significant opportunities flowing from the Sasol project and have lodged several RFT responses in relation to provision of accommodation camp supply, installation, and management services associated with the project.

Operational and Management Structure

As announced in the September Quarterly the Group has reviewed its operating & management structures in our primary geographical locations of Africa and Australia.

On 25 August 2021, Mr Patrick Danaux was appointed COO Africa and has subsequently overseen the revamping of our Futuro operations within Mozambique. Of note is the strategic move to open offices in Vilankulos (Inhambane province) to pursue the significant opportunities arising from South Africa's SASOL PSA expansion project commitment.

In Australia, the Company has contracted the services of Mr. Stuart Manifold to assist in the identification and assessment of scalable business opportunities for the provision of training and labour hire services. The Company is committed to developing a robust local business focused in areas of high skills demand and current labour shortages.

Stuart's background is in O&G safety and training having established, operated, and subsequently sold a successful Crises and Emergency Management business "Risktec Australasia" operating from several offices located both in Perth and offshore.

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More recently Stuart held an executive position with the ASX listed ICollege Limited (ASX: ICT). During his tenure Stuart was directly involved in the M&A activities of ICollege which has seen the Company value grow from a ~\$2million market capitalisation to \$120m today.

The Company is in the process of completing due diligence on several business opportunities under Stuart's guidance.

Revenue and Balance Sheet

At quarter end, RBR had consolidated cash of \$950k, a 50% interest in PD and (indirectly) the Wentworth camp.

Included in the cash flow report are payments to related parties of the entity and their associates of \$109k for Director's fees and salaries.

Subsequent to the Quarter end the Company has negotiated the further extension of the existing convertible note facility of \$400k that matured on 20 January 2022. The extension is for 3 months to 21 April 2022 with the intent to repay those funds during that period with part proceeds from the expected positive settlement of the Wentworth camp contract dispute.

The RBR Board maintains its positive view as to the robustness of its existing business operations and the ability to identify and secure further investment in Australian-based labour services opportunities.

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For the purpose of ASX Listing Rule 15.5, this announcement has been authorised for release by the board.

The information in this announcement has been disclosed by RBR and is the responsibility of RBR. Neither CCS JV, nor their directors, officers, employees or agents assume any responsibility for the accuracy or completeness of that information.