RBR GROUP Limited

ASX Release

30 April 2021

March 2021 Quarterly Report

Key Points

- **Palma Wentworth camp project has delivered 340 beds of the 668-bed total commitment. Installation of further capacity temporarily suspended**
- **Total capital remitted to date by RBR to the Wentworth Camp project development is $1.03 million of budgeted $2.78 million**
- **Camp project developer Projectos Dinamicos has recognised revenues of c.$550,000 from the Client in the March quarter, 50% attributable to RBR**
- **Subsequent to the insurgent attack on Palma late March, town reportedly back under control of the Mozambique armed forces**
- **The camp at Wentworth appears to be largely intact**
- **Camp contract with CCS JV (valued at up to $23 million) remains in place, to be invoiced under "standby rates" until occupied**

Labour and training specialist RBR Group (ASX: RBR) is pleased to present its March 2021 Quarterly Report.

Wentworth Camp Project in Palma, Mozambique

Since finalising the deal to purchase a 50% equity interest in the Mozambique-registered remote camp specialist, Projectos Dinamicos Lda ("PD") which has a contract with the CCS Joint Venture to build and operate a 668-bed accommodation camp at the Wentworth facility (see ASX release dated 28 January 2021), PD had developed just over half of the agreed capacity when activities were suspended due to an attack on the town of Palma by insurgents. See subsequent announcements in March and April 2021 for further information.

The contract with the CCS JV commenced on schedule on 19 January 2021. The contract makes provision for variable levels of occupancy via a differentiated pricing structure, which has enabled PD to continue to validly invoice the client for available capacity, despite not yet occupying the camp.

For the March quarter, PD has recognised revenues of c.$550,000 of which 50% is attributable to RBR.

PD will continue to invoice the client for the installed capacity, at standby rates, while the camp is unoccupied.

Discussions are underway with CCS JV on how to address the installation of the remaining 328 beds and associated infrastructure.

The Wentworth camp is located on the northern outskirts of the town of Palma, in close proximity to the municipal airport, Amarula Lodge and other contractors' yards. When Palma was attacked in March, this part of the town was also evacuated. The camp sustained minor damaged and was looted to some extent, although PD has insurance cover.

Despite Palma subsequently reverting to the control of Mozambique's security forces, all activity at the camp (further development as well as ongoing maintenance) remains suspended until such time as the security forces declare the threat over and allow companies and their personnel to return to the town.









Figures above and right:

Photos of the Wentworth camp taken mid-April after the security forces regained control of Palma.

The buildings are intact with minor damage to some doors and windows, and opportunistic looting.



Business Development

Mozambique

LNG related: RBR has submitted proposals on four active tenders related to the LNG projects in Mozambique – two proposals were direct bids and two were as participants in a consortium of bidders. These tenders have yet to be awarded. With the recent events in the region, the Company is seeking guidance and feedback on the status of the tenders.

Non-LNG related: Notwithstanding the suspension of activities in Palma, significant opportunities remain in Mozambique for RBR's Futuro Group companies to provide its suite of labour related services. Business development activities are underway in other regions of Mozambique, specifically the provinces of Maputo (around the capital city) and Inhambane, in the south of the country. The Group's industrial client base has in recent times included tier one companies and the intent is to seek new opportunities within this sector as part of a broader business development effort.

Australia

In Australia, the Company continues to explore opportunities leveraged off its existing registered training organisation ("RTO"), structured around a partnership model given RBR does not presently have a training facility in-country.

Revenue and Balance Sheet

At quarter end, the Group had $2.368 million in cash and a 50% interest in PD which has recognised March quarter revenues of c.$550,000 through its Wentworth Camp project contract with CCS JV.

The positive financial impact of the Wentworth contract will be reflected at 30 June year end in the consolidated group accounts of the Company, including the PD investment.

The Company and group are well positioned to maintain business development in both Mozambique and in Australia, as outlined.

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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.