RBR GROUP Limited

29 April 2016

Quarterly Report
for the period ending 31 March 2016

RBR GROUP LIMITED
(ABN 38 115 857 988)

ASX: RBR

Directors
Ian Macpherson – Executive Chairman
Richard Carcenac – Executive Director
Ian Buchhorn – Non-Executive Director
Paul Graham-Clarke – Non-Executive Director

Company Secretary
Sam Middlemas – Company Secretary

Capital Structure
Issued Shares: 318.0M
Issued Options: 11M
Performance Shares: 75M
Market Cap at 28 April 2016: $2.9M

Websites: www.rbrgroup.com.au
www.futuroskills.com
www.pacmoz.co.mz

For further information, please contact:

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Executive Chairman

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Chief Executive Officer

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Summary

- RBR Group Limited (RBR) has finalised the purchase of a Registered Training Organisation, to trade as Futuro Skills;
- Futuro Skills has established a new training centre in Matola, Mozambique;
- Futuro Skills is developing several revenue-generating training projects in Australia, Mozambique, SE Asia and Europe. The above opportunities include government-funded programs and training for corporate clients;
- Mozambique business administration subsidiary PacMoz remains cash flow positive, and has grown its customer base significantly;
- PacMoz has established a subsidiary, Futuro Risk Services Lda, which will expand and strengthen its suite of business products to include this complementary sector.

PacMoz, Mozambique:

This business remains robust and self-funding, maintaining positive cash flows while continuing to grow its customer base. The new clients include existing Mozambican companies as well as European-based internationals that are establishing Mozambican operations. PacMoz's client base is very diverse, operating across a range of sectors including power generation, logistics, marine services, construction, mineral resources, manufacturing, oil & gas services, and several others. The PacMoz website is now live and attracting enquiries from both local and international companies.

A new PacMoz subsidiary, Futuro Risk Services Lda, will operate as a Joint Venture with a significant South African brokerage company. The JV will offer short and long term insurance, vocational health and wellness products, and complement PacMoz's portfolio of client services. A MoU has been signed with the brokerage, which will provide the JV with all back office functions and ensure the risk is fully underwritten. This business will generate low risk annuity income in the future.

The PacMoz team is well-settled in the new Matola offices (below).



Futuro Skills:



A detailed market update on Futuro Skills was issued via the Australian Securities Exchange on Tuesday 26 April 2016, and is available on the RBR website. The key details are below.

Significant work has been completed on the fit out of the Matola (Mozambique) Training Facility, including the installation of nine welding bays that will support the Welding and Fabrication Skills program mentioned below. Office facilities and a single classroom have been completed, with catering facilities, amenities, and additional classrooms being constructed. This facility forms the base of our operations in Mozambique, while maintaining our strategy to expand north to Pemba as industry demands grows, as outlined in previous releases.

Futuro Skills is in the final stages of a submission to deliver a funded training program, named "Welding and Fabrication Skills (WFS) Program", for up to 1000 disadvantaged Mozambicans. The program is part of a wider initiative called "JOBA" which is funded by the United Kingdom's Department for International Development (DFID), and WFS alone has an estimated value of US$2 million.

Furthermore, PacMoz will be supporting Futuro Skills' WFS Program submission with a range of "wraparound services". These services will include career awareness programs and candidate recruitment ahead of training, HR support during and after the training programs, and labour broking services which will significantly bolster a graduate trainee's likelihood of securing sustainable employment.

The above process has included a submission to the Mozambican Government's Department of Labour (INEFP) for a training license. This application is well advanced with a final audit and approval expected in early May 2016.

Futuro Skills is in advanced negotiations for the delivery of two onsite projects in Mozambique. The first project is with a leading multinational integrated energy and chemical company, operating in Mozambique, which requires training for 60 new start employees. At the request of the client, the training will be delivered at their training facility, and it is anticipated that Futuro Skills will supply four trainers and equipment for a period of six weeks. The second project is in the coal mining region of Tete. The client has requested a range of programs to be delivered onsite as part of the commissioning of a new processing plant. The training is expected to be approximately two months in duration.

Futuro Skills has experienced a significant increase in enquires from major international oil and gas service providers. This is an interesting development which gives us confidence that our strategy is well aligned to the present and future training opportunities in Mozambique.

With its Australian Registered Training Organisation, Futuro Skills considers expanding its footprint in Australia as a key element of its growth strategy. Negotiations are in advanced stages with a leading Australian engineering, asset management and maintenance services provider to provide, on an exclusive basis, verification of competency assessment services to their staff and contractors prior to deployment to operational sites in Western Australia. Any training required to address competency deficiencies will also be provided by Futuro Skills. Commencement of activities is expected to be in Q3 of 2016. A major resources company has also expressed an interest in Futuro Skills developing a bespoke training program for their contractors prior to deployment to their mine sites in Australia. This is in the early stage of development.

Futuro Skills' growth strategy also identifies SE Asia, in general, as a target region, while opportunities in other geographies are considered individually on their merits. In line with the former, a partnership has been established with a training provider in Indonesia. This will enable Futuro Skills to leverage off its partner's existing training infrastructure and pursue opportunities without the need to invest capital. On the latter, Futuro Skills is in discussions with the developer of a US$150M cement plant in Kosovo, which has expressed an interest in Futuro Skills operating and managing a new training centre it is building. This project is of interest as the client's requirements are closely aligned with the training programs Futuro Skills has already developed for Mozambique, and the client will provide all the infrastructure and equipment needed to deliver the operational and technical skills training.

RBR Group Limited:

As outlined above, the significant growth in the operating business units (Futuro Skills and PacMoz) is delivering not only early stage cash flow but also the opportunity for more significant non-dilutive capital for future expansion of the group, at an appropriate time. We have been particularly encouraged by the response to, and support of, our activities and strategy by funding agencies and other financing groups.

In addition, the contract negotiations currently underway for skills training, as detailed above, will provide a significant increase in group cashflow in the near term.

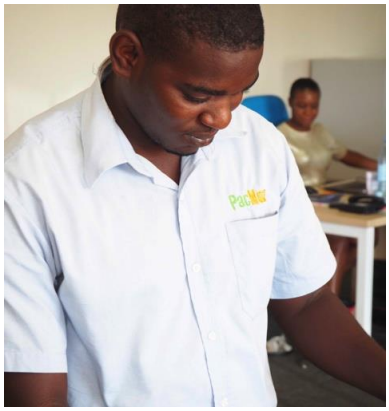
The group is also generating additional capital from the rationalisation of our existing Western Australian resource assets and further announcements will be made in this regard, shortly.

The bulk of RBR's top 20 shareholders have reiterated their support for the company's strategy.

Richard Carcenac, CEO, says: "Since RBR first announced its revised strategy including a focus on Mozambique, which began with our investment in PacMoz, we have always maintained that the attraction of this market was based on a number of factors. These included: Mozambique's robust economic growth outlook; development of its world-class mineral resources (such as gas and graphite); and its burgeoning construction and logistics industries driven by infrastructure development, all of which rely on access to a local pool of medically fit and appropriately skilled employees. RBR has very carefully and deliberately positioned itself as a key part of the solution to the local content and labour challenges. We have also ensured that our business units are closely aligned with the real needs of our target market (access to healthy and productive local staff), and the goals of the government (skills transfer, job creation and health services). The delay in the Final Investment Decisions by the developers of the vast gas resources in Mozambique's Rovuma basin, Anadarko and ENI, while disappointing, is far from problematic for RBR. Our strategy remains just as relevant while our current attention is on the many other opportunities outside of the gas industry. That said, we have recently seen a noticeable increase in enquiries and tenders for training and logistics services related to the gas/LNG projects, specifically around the development of ENI's gas resources. And finally, the RBR business model is readily scalable and replicable. We are responsibly spreading our business risk and growing the company through our expansion strategy, as detailed above."

A few photographs – see the RBR website for more:





Above and Left: Some of our staff in Matola.

Right: One of KOTUG's (a new PacMoz client) tugs in the port of Nacala.



AUSTRALIAN PROJECT INTERESTS

RBR Group Limited (RBR) retains an interest in the Peters Dam Joint Venture and 100% tenure at the Yindarlgooda Project located east of Kalgoorlie in Western Australia, and the Canobie Project in the Mt Isa district of Queensland.

YINDARLGOODA PROJECT

The Yindarlgooda Project comprises approximately 311km^2 of tenure centred 55km east of Kalgoorlie on a felsic volcanic dome around Lake Yindarlgooda. The project area is subject to the Peters Dam Venture with Silver Lake Resources Limited (Silver Lake). RBR also retains a large tenement holding in the area in its own right.

Peters Dam Joint Venture (Silver Lake Resources Limited 69% (RBR diluting))

In July 2009, RBR entered into the Peters Dam Joint Venture with Silver Lake (then Integra Mining Limited), on tenements adjacent to Silver Lake's Salt Creek gold deposit. Following an initial expenditure of $1.5 million, Silver Lake earned its 51% interest in the project. RBR has elected not to contribute to exploration programs to date and its interest is being diluted under the terms of the joint venture agreement, and Silver Lake's interest now stands at 69%. RBR can elect to re-commence contributions to the joint venture on a six monthly basis.

No drilling or sampling work was conducted by Silver Lake during the reporting period due to a reduction in its exploration budget.

Queen Lapage Joint Venture (Silver Lake Resources Limited 60% (RBR diluting))

The Queen Lapage Joint Venture (QLJV) with Silver Lake covered five tenements of approximately 112km^2 located to the north of the Peters Dam Joint Venture.

In March 2016 Silver Lake advised that they were withdrawing from the Queen Lapage JV, returning to RBR 100% equity in the tenements.

RBR is negotiating the sale of one of the ex-JV tenements with a prospective purchaser.

CANOBIE PROJECT

The tenement covers Mt Isa Block Eastern Succession Proterozoic stratigraphy that is considered prospective for various styles of base metal mineralisation, including Ernest Henry style iron oxide copper gold (IOCG) and Broken Hill type (BHT) silver lead zinc mineralisation. The EPM falls within a major NNE striking structural corridor with the majority of the tenement masked by a thin veneer of younger sediments.

Competent Person's Statement

The information in this report that relates to Exploration is based on information compiled by Andrew Ford who is a Member of the Australasian Institute of Mining and Metallurgy. Andrew Ford is a consultant to RBR Group Limited and has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration, and to the exploration activity that is being undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Andrew Ford has consented to the inclusion in this report of the matters based on his information in the form and context that it appears.

Tenement Schedule: March 2016 Quarter

SUB-PROJECT	TENEMENT ID	EQUITY %	DATE GRANTED
YINDARLGOODA			
Yindarlgooda	E27/00430	100	25-Jan-2011
Yindarlgooda	E27/00431	100	Pending
Yindarlgooda	E27/00443	100	04-Jul-11
Yindarlgooda	E27/00449	100	12-Sep-2012
Yindarlgooda	E27/00454	100	Pending
Yindarlgooda	E27/00456	100	Pending
Yindarlgooda	P27/01949	100	22-Sep-2008
Yindarlgooda	E25/00326	100	1-Nov-2006
Yindarlgooda	E27/00291	100	28-Apr-2006
Peter Dam JV	E26/00153	31	6-May-2011
Peter Dam JV	E26/00154	31	6-May-2011
Peter Dam JV	E15/00869	31	21-Dec-2005
Peter Dam JV	E25/00376	31	30-Jan-2009
Peter Dam JV	E25/00434	31	22-Nov-2010
Peter Dam JV	P26/03819	31	15-Jun-2011
Peter Dam JV	P26/03820	31	15-Jun-2011
Peter Dam JV	P26/03821	31	15-Jun-2011
CANOBIE			
Canobie JV	EPM177767	100	9-May-2012

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

RBR Group Limited

ABN	Quarter ended ("current quarter")
38 115 857 988	31 March 2016

Consolidated statement of cash flows

		Mar 2016 quarter $A'000	Year to date (9 Mths) $A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	799	2,946
1.2	Payments for (a) exploration and evaluation	(5)	(24)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(206)	(816)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	1	3
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other – Mozambique operating outflows	(780)	(2,933)
	Net Operating Cash Flows	(191)	(824)
	Cash flows related to investing activities		
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	(40)	(40)
	(c) other fixed assets	(49)	(49)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	100
1.10	Loans to other entities	-	(50)
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	(89)	(39)
1.13	Total operating and investing cash flows (carried forward)	(280)	(863)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(280)	(863)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares (net of costs)	-	868
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	-	868
	Net increase (decrease) in cash held	(280)	5
1.20	Cash at beginning of quarter/year to date	435	158
1.21	Exchange rate adjustments to item 1.20	(3)	(11)
1.22	**Cash at end of quarter**	152	152

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	89
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

N/a

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/a

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/a

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	Nil	Nil
3.2	Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	5
4.2	Development	-
4.3	Production	-
4.4	Administration	250
	Total	**255**

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	29	119
5.2	Deposits at call	87	248
5.3	Bank overdraft	-	-
5.4	Other (provide details) – PacMoz subsidiary	36	68
	Total: cash at end of quarter (item 1.22)	152	435

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced	E25/273 E25/455	Queen Lapage JV; Expiry Queen Lapage JV; Expiry	40%	0%
		E27/430	Expiry	100%	0%
6.2	Interests in mining tenements acquired or increased	E25/326 E25/291	Termination of Queen Lapage JV	40%	100%

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (cents)	Amount paid up per security (cents)
7.1	**Preference+securities** *(description)*	-	-		
7.2	Changes during quarter	-	-		
7.3	+**Ordinary securities**	318,016,038	318,016,038		
7.4	Changes during quarter (a) Increases through issues	-	-		
	(b) Decreases through returns of capital, buy-backs	-	-		
7.5	+**Convertible debt securities** (*description)*	-	-		
7.6	Changes during quarter	-	-		
7.7	**Options** *(description and conversion factor)*			*Exercise price*	*Expiry date*
	Employee Options	6,000,000	-	2 cents	30 June 2017
	Director Options	5,000,000	-	2 cents	30 June 2017
7.8	Issued during quarter	-	-		
7.9	Exercised during quarter	-	-		
7.10	Expired/Lapsed during quarter	-	-		
7.11	**Debentures** *(totals only)*	-	- -		
7.12	**Unsecured notes** *(totals only)*	-	-		
7.13	**Performance Rights** (totals only)	15,000,000	-		

+ See chapter 19 for defined terms.

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

2 This statement does give a true and fair view of the matters disclosed.



RS Middlemas Date: 29 April 2016
Company Secretary

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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