



FORM 7
August 2016
PROGRESS REPORT

Name of CNSX Issuer: Robix Alternative Fuels, Inc. (*the "Issuer"*)

Trading Symbol: RZX

Number of Outstanding Listed Securities: 24,089,037 Common Shares

Date: September 16, 2016

REPORT ON BUSINESS

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

The Issuer continued in marketing activities primarily to introduce and to demonstrate its C Series to various interested parties within industry, with an emphasis on the Mexico marketplace and the eastern Canadian ocean environment.

The Issuer continued to demonstrate the concept of the C Series to consultants who specialize in industry awareness and securing financial support from various potential stakeholders, and to various capital market members.

The Issuer spent considerable time and effort to market the C Series technology, and it's first completed C160 commercial unit. In addition Robix received a firm C Series equipment order, to lease the services of a Robix C20 clean ocean oil recovery vessel, from Corporation T&M S. A. de C. V. of Villahermosa, Tabasco, Mexico. ("T&M")

The Issuer also continues to market the P Series oil recovery platform concept, which is designed to address the oil-production settling pond market primarily in Mexico.

Through the Issuer's marketing agreement with Canadian Floating Fence Corp, the Issuer was also engaged in activities related to response to an oil spill in the North Saskatchewan River, which affected waters and shorelines along the river between Maidstone, SK, and downstream toward the Manitoba region.

2. Provide a general overview and of the activities of management.

Management of the Issuer engaged in activities primarily related to the introduction and demonstration of the C Series and P Series to parties interested in the commercial application of the technology.

In conjunction with marketing of the C Series technology to industry participants, management met with capital market participants, and in addition, with consultants who specialize in the securing of government sponsored loan and grant programs, and securing sufficient equity capital for the continued development of additional commercial C Series models, including sizes and designs capable of mechanical recovery of oil spilled on lakes, rivers, and also in other oil/water separation applications.

Management also engaged in activities related to response to an oil spill in the North Saskatchewan River, which affected waters and shorelines along the river between Maidstone, SK, and downstream toward the Manitoba region. The Issuers marketing relationship with the Canadian Floating Fence product line (XBoom[tm]) was the reason for the participation in a stakeholder's response. The result included building a new business relationship with the James Smith Cree Nation (JSCN) wherein the Issuer was able to negotiate a Memorandum of Understanding to provide certain equipment and ancillary services to the JSCN. Although no COV equipment could be provided in a timely manner, the anticipation is that future endeavours will include such equipment supply to a future spill protection initiative in the region.

- 3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.**

See above reference to the JSCN Memorandum of Understanding, and further in Section 5 below.

- 4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.**

Not applicable

- 5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.**

The Issuer signed a memorandum of understanding with the James Smith Cree Nation (JSCN) to form a partnership.

The proposed transaction contemplates that Robix shall supply the licensing rights to certain intellectual property, as well as certain other services that will be supportive to JSCN's continuing mandate. JSCN shall supply a number of operations personnel and administrative human resources that are required by the partnership for its proposed business of emergency preparedness and disaster resilience planning, especially as it relates to oil spill emergency, protection of the environment from oil-related disasters, and water quality monitoring and stewardship.

ROBIX AND FORMATION FLUID ENTER INTO AMALGAMATION AGREEMENT

The Issuer and Formation Fluid Management Inc. have entered into an amalgamation agreement dated Aug. 26, 2016, together with a newly incorporated subsidiary of Robix, pursuant to which Robix has agreed to acquire all of the outstanding shares of Formation Fluid by way of a three-cornered amalgamation. Under the terms of the amalgamation agreement, Formation Fluid and Subco will amalgamate under the Business Corporations Act (British Columbia) and continue as one corporation, which will be a wholly owned subsidiary of Robix and will carry on the business of Formation Fluid following the completion of the transaction.

Under the terms of the amalgamation agreement, Formation Fluid shareholders will receive approximately 0.425 of a common share of Robix for every one Formation Fluid common share. In connection with the transaction, Robix



will issue approximately 25,185,410 Robix shares to the Formation Fluid shareholders. In addition, the holders of the currently outstanding 3,616,684 common share purchase warrants of Formation Fluid will be entitled to purchase an aggregate of up to 1,537,091 Robix shares at an exercise price of approximately 28 cents per Robix share and the holders of the currently outstanding 5.9 million stock options of Formation Fluid will be entitled to purchase an aggregate of up to 2,507,500 Robix shares at exercise prices ranging from approximately 18 cents to \$1.06 per Robix share. Upon completion of the transaction, Robix expects to have approximately 48,785,822 Robix shares issued and outstanding, of which the former holders of Formation Fluid will hold approximately 47.5 per cent (not including any Robix shares issuable upon exercise of the above Formation Fluid warrants or Formation Fluid options).

The amalgamation agreement provides that completion of the transaction is subject to certain conditions, including receipt of all regulatory approvals, including approval of the TSX Venture Exchange, and the approval of at least two-thirds of the votes cast by holders of Formation Fluid shares at a special meeting of Formation Fluid shareholders to be called for the purpose of approving the transaction. It is anticipated that an information circular will be mailed to Formation Fluid shareholders in mid-September, 2016, and the Formation Fluid shareholder meeting will be held on Oct. 7, 2016. Provided that Formation Fluid shareholder approval is obtained and all other conditions to close are satisfied, the transaction is expected to close on or before Oct. 12, 2016.

The boards of directors of Robix and Formation Fluid have both unanimously approved the transaction and the board of directors of Formation Fluid has concluded that the transaction is in the best interests of its shareholders and has resolved to recommend that Formation Fluid shareholders vote their shares in favour of the transaction. All of the directors and officers of Formation Fluid have agreed to vote their Formation Fluid shares in favour of the transaction. Formation Fluid has agreed that it will not solicit or initiate discussions regarding any other business combination or sale of material assets. Formation Fluid has also granted Robix the right to match any superior proposals. The amalgamation agreement provides for a reciprocal non-completion fee payable to either Robix or Formation Fluid, as the case may be, in certain circumstances if the transaction is not completed.

The amalgamation agreement contemplates that following the closing two nominees of Formation Fluid, Ken Rose and Mark Bentsen, will be added to the board of directors of Robix.

Further disclosure will be made available to the various stakeholders and regulatory agencies during the month of September up until the close or any adjournment of the proposed meeting of the shareholders of Formation Fluid.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

Not applicable

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

Not applicable.

8. Describe the acquisition of new customers or loss of customers.

Not applicable.



9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

Not applicable.

10. Report on any employee hiring, terminations or lay-offs with details of anticipated length of lay-offs.

Not applicable.

11. Report on any labour disputes and resolutions of those disputes if applicable.

Not applicable.

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

On May 12, 2016 default judgement was granted in favour of the Howard group Inc against the corporation in the amount of \$35,125 in connection with amounts owing to the Howard Group Inc, under a letter agreement for investor and financial relations services with the Corporation. The Corporation intends to pay the amount of the Judgement before the end of October 2016.

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

Not applicable.

14. Provide details of any securities issued and options or warrants granted.

During the month of August 2016 an aggregate amount of 258,938 common shares were issued pursuant to stock options exercises and share purchase warrants exercise for gross proceeds of \$xxx. Details of the various transactions is as follows:

- 183,938 common shares issued pursuant to warrants exercise for proceeds of \$22,750*
- 75,000 common shares issued pursuant to options exercise for proceeds of \$12,000*

15. Provide details of any loans to or by Related Persons.

Not Applicable.

16. Provide details of any changes in directors, officers or committee members.

Not applicable.



17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

The Issuer is aware of no specific trends, other the trends and risks which are likely to impact the Issuer that are detailed on pages 54 to 56 under the heading "Risk Factors" of the Issuer's Form 2A Listing Statement filed with the CNSX on September 26th, 2013.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CSE that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CSE Requirements (as defined in CSE Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: September 16, 2016

/s/ Nathan Hansen

Nathan Hansen
President & CEO
Robix Alternative Fuels, Inc.

Issuer Details Robix Environmental Technologies, Inc.	For: August 2016	Date of Report 16/09/16
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Contact Name Nathan Hansen	Contact Position: President & CEO	Contact Telephone No. (250) 683-8957
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