FBR Annual General Meeting

20 December 2021



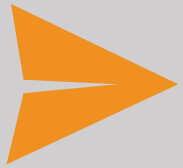
ASX:FBR

ONLINE ATTENDEES – TEXT QUESTION PROCESS

When the question function is available, the messaging tab will appear at the top of the screen

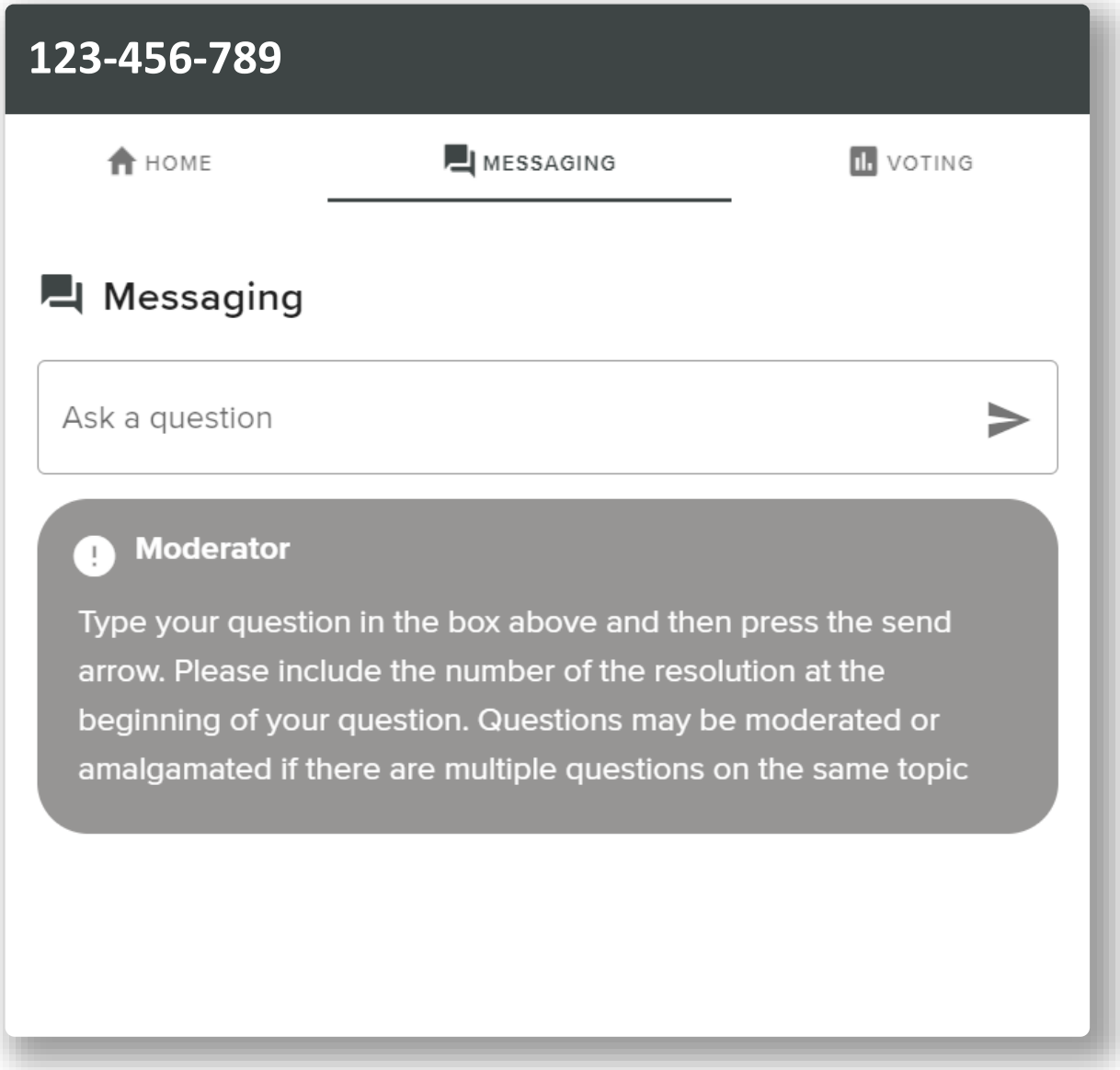


To submit a question, type your question in the “Ask a question” box and press the send arrow



Your question will be sent immediately for review



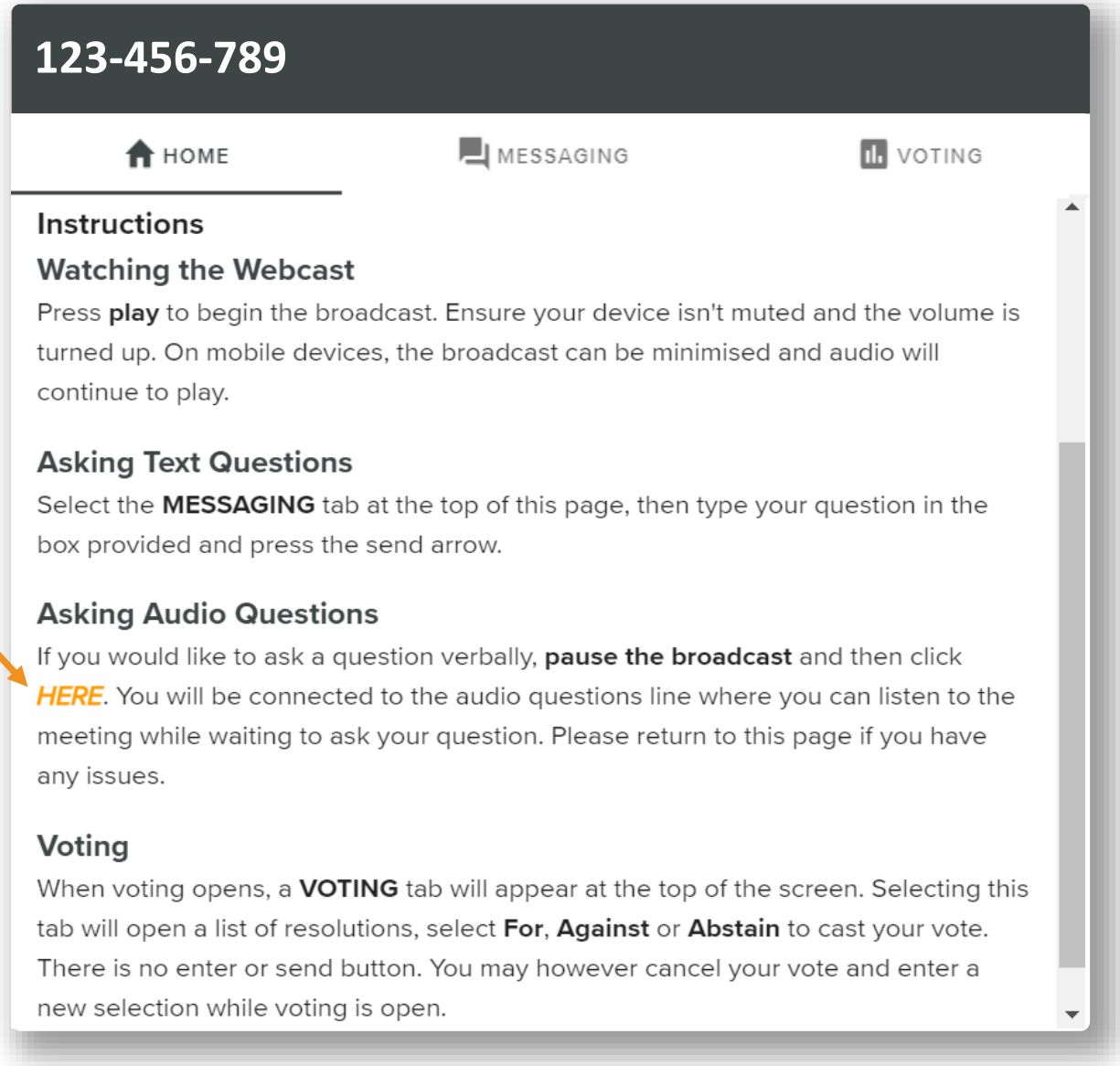


ONLINE ATTENDEES – AUDIO QUESTION PROCESS

When the audio questions line is available, a link will appear on the home tab titled **Asking Audio Questions**

If you would like to ask an audio question, **pause the meeting broadcast** and click on the link

You will be prompted to enter your name and the topic of your question before being placed in the audio questions queue



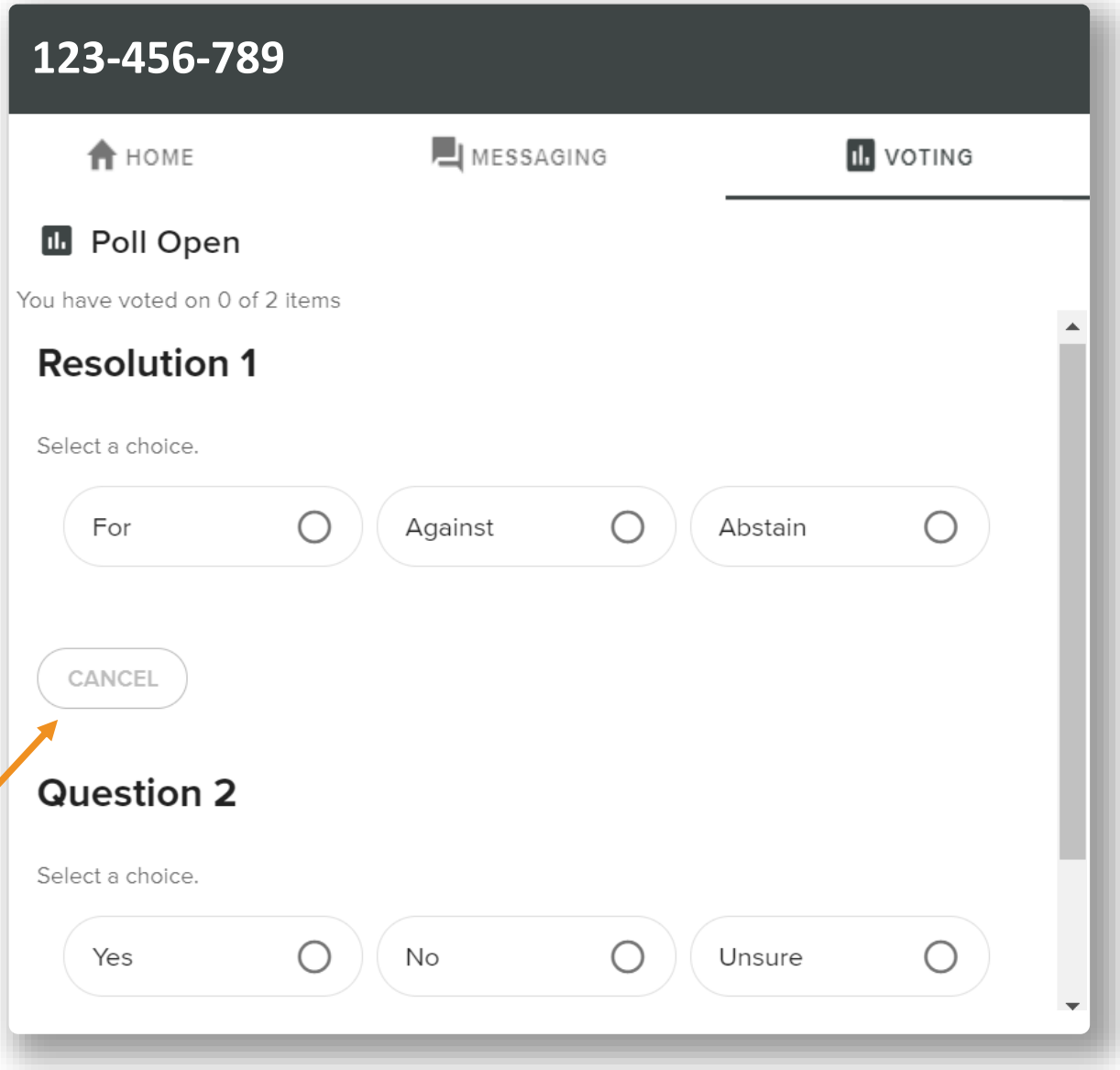
ONLINE ATTENDEES – VOTING

When open, the vote will be accessible by selecting the voting tab at the top of the screen

To vote simply select the direction in which you would like to cast your vote. The selected option will change colour

For | Against | Abstain

There is no submit or send button, your selection is automatically recorded. You can change your mind or cancel your vote any time before the poll is closed



Introductions



Richard Grellman
Non-Executive Chairman



Mike Pivac
Managing Director &
Chief Executive Officer



Grant Anderson
Non-Executive Director



Greg Smith
Non-Executive Director



Mark Pivac
Executive Director &
Chief Technical Officer



Aidan Flynn
Chief Financial Officer &
Company Secretary



Michael Dewhurst
External Auditor



Agenda

1. Notice of Meeting
2. Chairman’s Address
3. Managing Director’s Address
4. Shareholder Questions
5. Formal Order of Business
6. Voting & Close of Meeting



Chairman’s Address

Richard Grellman AM



Managing Director’s Address

Mike Pivac

Revenue generating tech

- **Record sales** – first quarter FY22 cash receipts from customers of $621,000
- **Completed builds for customers** – Three residential and two low-rise commercial structures
- **Pipeline of 24 confirmed upcoming builds** for builders with expected revenues of over $1.1 million
- **Additional three builds in Wellard committed to complete five home Wellard portfolio** – revenue in excess of $2 million in FY23 anticipated from sale of five home portfolio
- **Strong utilisation rate committed** up to May 2022, with more future work expected to be added to maximise utilisation of both existing Hadrian prototypes
- **Two additional Hadrian X® robots** at procurement stage
- **Non-binding term sheet for up to 5,000 homes in Mexico** with GP Vivienda
- **Market entry feasibility study for UAE** – MOU with Ministry of Energy and Infrastructure executed
- **International clay block market unlocked** – Hadrian X® capable of laying largest clay blocks currently in production (Wienerberger Porotherm R25s) in addition to concrete blocks
- **Builders designing Hadrian-optimised buildings** as gen 2 architectural software unveiled
- **Next iteration of Hadrian X® under development** with higher lay speed, capability to handle even larger blocks and longer reach
- **H01 laying zero waste pre-cut blocks on sequenced pallets**
- **Additional product revenue streams under development** with multiple DST and digitalisation-related R&D projects underway



Completed jobs

Job	Type	Standard Brick Equivalents (SBEs)	Revenue
Dayton	Residential	13,759	$491,556
Byford	Commercial	20,300	$6,717
Amberton Beach	Commercial	36,496	$91,800
Wellard #1	Residential	19,008	FBR Inventory
Wellard #2	Residential	23,900	FBR Inventory

Dayton

- The first display home built by an end-to-end autonomous bricklaying robot anywhere in the world
- 3 bed x 2 bath home bordered by seven occupied homes at the time of building
- Sale settled in July 2021

Byford

- FBR's first non-residential structure featuring cavity walls with slab step down
- Currently tenanted by real estate company

Amberton Beach

- Largest structure built by Hadrian to date requiring five different building positions and comprising walls up to 4.8m high
- Completion of the childcare centre is expected in early 2022

Wellard #1

- Structure owned by FBR, with walls completed in August 2021
- Following trades are continuing to finish the structure with sale expected in FY23

Wellard #2

- Structure owned by FBR, with walls completed in October 2021
- Following trades are continuing to finish the structure with sale expected in FY23










Pipeline of contracted builds

Job	Location	Type	Expected revenue (approx.)	Expected completion
16 townhouses	Willagee, Western Australia	Residential	$630,000	May 2022
8 townhouses	St James, Western Australia	Residential	$500,000	June 2022
Wellard 3	Wellard, Western Australia	Residential	FBR Inventory	To be sold in FY23
Wellard 4	Wellard, Western Australia	Residential	FBR Inventory	To be sold in FY23
Wellard 5	Wellard, Western Australia	Residential	FBR Inventory	To be sold in FY23

- **16 townhouses in Willagee**
  - Contract with prominent Perth builder Inspired Homes to supply Wall as a Service® and concrete slabs for 16 townhouses
  - Contract value of approximately $630,000
  - Works expected to be completed by May 2022
- **8 townhouses in St James**
  - Slab and roof trusses for eight two-storey townhousesContract with property developer Riculallo Pty Ltd to construct the slab, footings, structural walls, second storey
  - Contract value of approximately $500,000
  - Works expected to be completed by June 2022
- **Wellard 3, 4 and 5**
  - Structures to be owned by FBR, with walls to be completed in due course
  - Completed houses expected to be sold in FY23

Global scaling strategy

- Strategic partners can access equity in local operating entities by purchasing Hadrian X® robots from FBR and supplying those machines for free to WaaS® operating entities, allowing for rapid, capex-free scaling for FBR
- Operating entity profits for local partners will be invested in growing the fleet of Hadrian X® robots
- Soft order program underway to demonstrate significant global demand for Hadrian X®
- Non-binding term sheet signed for up to 5,000 homes in Mexico with GP Vivienda
    - Foothold in North America working with high volume Mexican builder
    - FBR permitted to invite guests to sites including US builders
- MOU with the UAE Ministry of Energy & Infrastructure in place
    - Joint feasibility study for market entry commencing
- Hadrian X® projected to be economically viable for both high and seemingly low labour cost markets
    - Access to low-cost machine operators
    - Higher build volume in greenfields developments
    - Ability to operate the Hadrian X® 24 hours a day, seven days a week
- Software play in developing markets likely to be a long-term benefit
    - FBR will track data from creation of block to placement in a wall according, with applications for builders, home-owners, insurers, aftermarket sellers of household items
- Mandates to adopt cleaner construction methods coming into play around the world
- Increased global focus on sovereign labour security due to pandemic
- Significant OEM interest to be exclusive manufacturer of Hadrian X®





Next 12 months for FBR

- Complete 27 builds in pipeline, plus additional builds yet to be committed
- Complete assembly of two additional Hadrian X® construction robots to meet demand in Australian market
- Complete the design of the next iteration of the Hadrian X® and commence manufacturing
- Obtain soft or contingent orders for robots to be leased into operating entities
- Continue scale up of organisational capability post-COVID
- Further development of BIM architectural software to enable integration into construction design and planning with customers
- Further advance DST and digitalisation-related R&D projects with a view to opening a new market vertical for FBR
- Unveil new zero waste potential of H01 by utilising pre-cut sequenced pallet methodology in suburban environment
- Committed pipeline of work will keep existing Hadrian prototypes well utilised until May 2022
- FBR will now focus on winning work to maximise utilisation of existing prototypes and develop a pipeline of work for future Hadrians

Questions

Formal Order of Business

Financial Reports

Consideration of the Financial Reports

To receive and consider the financial report, the reports of the Directors and the auditors of the Company and its controlled entities for the year ended 30 June 2021.

Further Information

- Mr Michael Dewhurst, from the Company's auditors Grant Thornton, and Mr Aidan Flynn, FBR's CFO are present to answer any questions.

Please note

- There is no requirement for a resolution in relation to these reports.

Resolution 1

Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the Company (which is contained in the Directors' Report in the Annual Report) for the financial year ended 30 June 2021 be adopted."

Further Information

- This resolution is advisory only
- The Chairman will vote undirected proxies for Resolution 1
- Voting restrictions apply to key management personnel and their closely related parties.
- The Board recommend that Shareholders vote for Resolution 1
- The Remuneration Report can be found at pages 34 to 48 of the 2021 Annual Report

Resolution 2

Re-election of Director – Mr Mark Pivac

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That Mr Mark Pivac, a Director who retires by rotation in accordance with Article 6.3 of the Constitution, Listing Rule 14.4 and for all other purposes, being eligible and offering himself for re-election, is so re-elected."

Further Information

- Mr Mark Pivac, who has an interest in the Resolution, makes no recommendation
- The remaining Directors recommend that Shareholders vote for Resolution 2
- The Chairman will vote undirected proxies for Resolution 2
- Details of the experience and qualifications of Mr Pivac are set out on page 12 of the Explanatory Memorandum of the Notice of Meeting

Resolution 3

Re-Election of Director – Mr Grant Anderson

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That Mr Grant Anderson, a Director who retires by rotation in accordance with Article 6.3 of the Constitution, Listing Rule 14.4 and for all other purposes, being eligible and offering himself for re-election, is so re-elected."

Further Information

- Mr Anderson, who has an interest in the Resolution, makes no recommendation
- The remaining Directors recommend that Shareholders vote for Resolution 3
- The Chairman will vote undirected proxies for Resolution 3
- Details of the experience and qualifications of Mr Anderson are set out on page 12 of the Explanatory Memorandum of the Notice of Meeting

Resolution 4

Increase in maximum aggregate cap of non-executive Directors' remuneration

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That, for the purpose of Article 6.5 of the Constitution and Listing Rule 10.17 and for all other purposes, the maximum aggregate amount of remuneration which may be provided by the Company to all non-executive Directors as a whole for their service as Directors be increased to a maximum amount of $500,000 per annum."

Further Information

- Mr Michael Pivac, Mr Mark Pivac, Mr Richard Grellman, Mr Grant Anderson and/or Mr Greg Smith (each being a Director) or any associate of the same are excluded from voting on this resolution
- The Chairman will vote undirected proxies for Resolution 4
- With the Company's non-executive Directors noting their interest in the matter, the Board recommends that Shareholders approve the increase in the maximum aggregate amount of non-executive Directors fees
- Details of this resolution are set out on pages 12 to 14 of the Explanatory Memorandum of the Notice of Meeting

Resolution 5

Extension of loan and escrow period on existing 25,000,000 Short Term Loan Funded Shares for Mr Michael Pivac

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That, for all purposes, Shareholder approval is given for the Company to grant a 12-month extension to the loan previously given by the Company to its Managing Director and CEO, Mr Michael Pivac, on 24 December 2020 in connection with 25,000,000 Short Term Loan Funded Shares which were issued to Mr Michael Pivac (with prior Shareholder approval) on the terms and conditions in the Explanatory Memorandum."

Further Information

- Mr Michael Pivac, who has an interest in the Resolution, makes no recommendation
- The remaining Directors recommend that Shareholders vote for Resolution 5
- The Chairman will vote undirected proxies for Resolution 5
- Details of the 12 month extension of the loan and escrow period on the existing 25,000,000 Loan Funded Shares for Mr Michael Pivac, including voting restrictions, are set out on pages 14 to 19 of the Explanatory Memorandum of the Notice of Meeting

Resolution 6

Extension of loan and escrow period on existing 25,000,000 Short Term Loan Funded Shares for Mr Mark Pivac

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That, for all purposes, Shareholder approval is given for the Company to grant a 12-month extension to the loan previously given by the Company to its CTO and Executive Director, Mr Mark Pivac, on 24 December 2020 in connection with 25,000,000 Short Term Loan Funded Shares which were issued to Mr Mark Pivac (with prior Shareholder approval) on the terms and conditions in the Explanatory Memorandum."

Further Information

- Mr Mark Pivac, who has an interest in the Resolution, makes no recommendation
- The remaining Directors recommend that Shareholders vote for Resolution 6
- The Chairman will vote undirected proxies for Resolution 6
- Details of the 12 month extension of the loan and escrow period on the existing 25,000,000 Loan Funded Shares for Mr Mark Pivac, including voting restrictions, are set out on pages 14 to 19 of the Explanatory Memorandum of the Notice of Meeting

Resolution 7

Approval of 10% Placement Facility

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a special resolution:

> ***"That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of up to that number of Equity Securities as is equal to up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Memorandum."***

Further Information

- The Chairman will vote undirected proxies for Resolution 7
- The Board recommend that Shareholders vote for Resolution 7
- Details of the 10% placement facility, including voting restrictions, are set out on pages 19 to 24 of the Explanatory Memorandum of the Notice of Meeting



End of Meeting

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