

RCR Tomlinson Ltd

Annual General Meeting 2018



E.I. Engineering Intelligence



InterContinental Hotel, Sydney
30 October 2018

Board of Directors & CFO



E.I. Engineering Intelligence



Mr Roderick Brown
Independent Non-Executive Director
and Chairman



Mr Bruce James
Interim Chief Executive Officer
and Executive Director



Ms Sue Palmer
Independent Non-Executive Director



Mr David Robinson
Independent Non-Executive Director



Mr Lloyd Jones
Independent Non-Executive Director



Mr Andrew Phipps
Chief Financial Officer

Agenda



E.I. Engineering Intelligence

1. Chairman's Address
2. Interim CEO's Address
3. Questions
4. Items of Business
5. Close Formal Business of AGM
6. Refreshments
7. Poll results announced

RCR Tomlinson Ltd

Annual General Meeting 2018



E.I. Engineering Intelligence



Chairman's Address

Mr Roderick Brown
30 October 2018

RCR Tomlinson Ltd

Annual General Meeting 2018



E.I. Engineering Intelligence



CEO's Presentation

Interim CEO & Executive Director | Mr Bruce James
30 October 2018

Contents



E.I. Engineering Intelligence

1. FY18 Financial Results
2. Order Book
3. Funding Facilities at June 2018
4. Review of Operations
5. Safety, Environment & People
6. Strategic Focus
7. New Organisational Structure
8. FY19 Update
9. Project Experience
10. Questions



E.I. Engineering Intelligence

FY18 Financial Results

ENGINEERING INTELLIGENCE.
That's what we do.

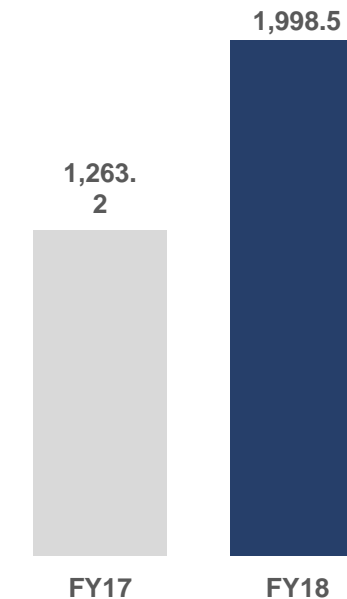
FY18 Financial Results Snapshot

Overview

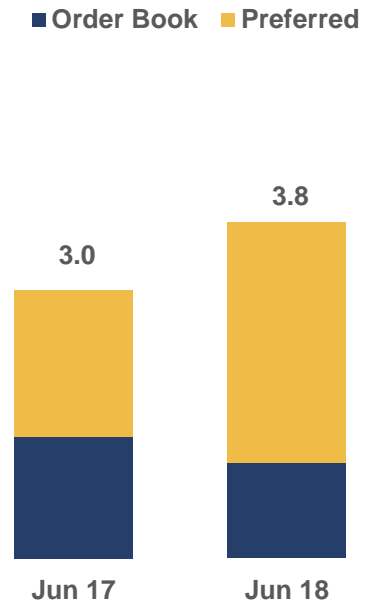
- Order Book of **\$1.1B**
- Preferred Contractor Status of **\$2.7B**
 - Increasing exposure to rail and transport sector
- Revenue of **\$2.0B**
- H2 Revenue of **\$1,058M**
 - Up from \$941M in H1
- Underlying EBITDA of **\$17.3M**
- Underlying EBIT loss of **\$4.2M**
- Statutory net loss after tax of **\$16.1M**
- Strong cash generated from operations of **\$47.5M**
- Net Cash of **\$54.8M**

* EBIT is from underlying operating result

Revenue \$M



Order Book + Preferred \$B



	FY18	FY17
Order Book + Preferred	\$3.8B	\$3.0B
Revenue	\$2.0B	\$1.3B
EBIT*	(\$4.2M)	\$41.2M

Structure of order book



E.I. Engineering Intelligence

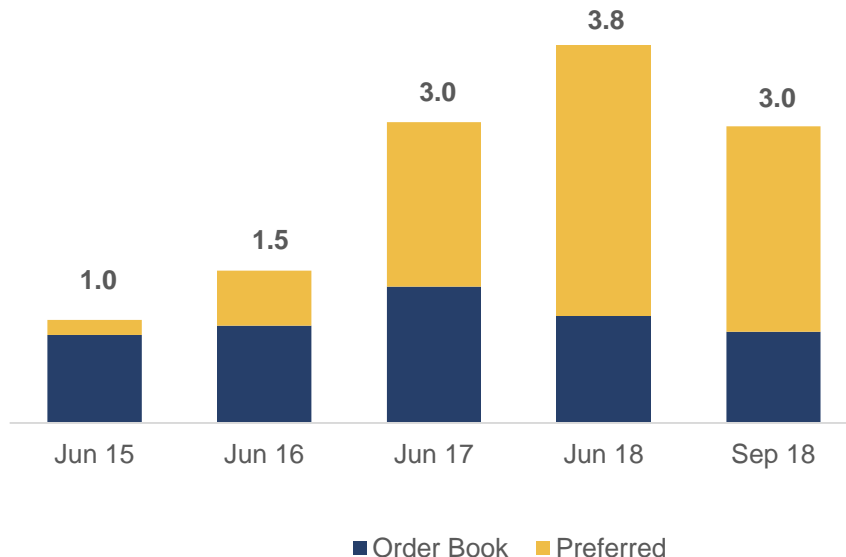
Order book recently contracted

- Order book remains strong, but RCR has experienced some short-term delays in award of projects from preferred contractor status

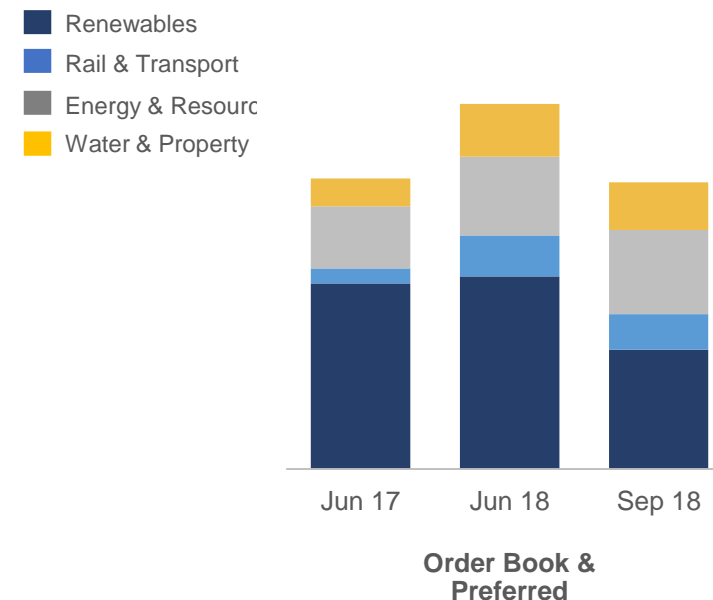
Near-term opportunities

- Increasing focus on minimising execution risk through contracting structures that typically provide a higher degree of margin predictability
 - Zinc and Lithium markets
 - Rail and Transport (Australia and New Zealand)
 - Facilities Management
 - Gold and Copper

Order book & preferred - \$billion



Order book & preferred by sector - \$billion



Funding Facilities 30 June 2018

Renewed and Extended Facilities

- Total Syndicated Facility **\$431.3M** - term Dec 2019
 - **\$36.3M** senior debt
 - **\$75.0M** working capital
 - **\$295.0M** bank guarantee facility
 - **\$25.0M** contingent instrument facility
- Additional project financing available via:
 - **\$250M** insurance bonding facilities

Funding Summary

Facility	Jun 18 \$M	Jun 17 \$M
Senior Debt and Working Capital Facility	431.3	326.3
Insurance Bonding Facilities	250.0	200.0
Total Facilities	681.3	526.3
Less: Senior Debt Utilised	36.3	56.3
Less: Non-Cash Facilities Utilised	374.4	185.0
Available Facilities	270.6	285.0
Plus: Cash	89.9	29.7
Total Cash / Funding Facilities Available	360.5	314.7

Key Financial Measures

Net Cash / (Net Debt)	\$54.8M	(\$25.2M)
Gearing	Net Cash	7.5%
Net Debt / EBITDA	Net Cash	0.46x
Facility Utilisation	60%	46%
Debt Facility Expiry	Dec 2019	Dec 2019



E.I. Engineering Intelligence

FY18 Review of Operations

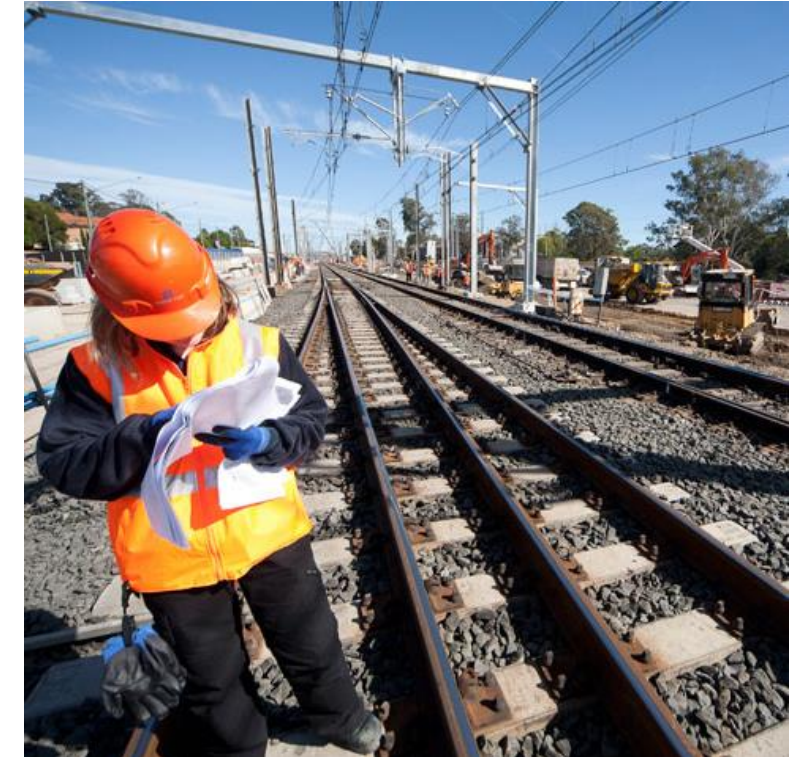
ENGINEERING INTELLIGENCE.
That's what we do.

FY18 Performance

- Record revenue of **\$1,482.4M**
- EBIT loss of **\$9.8M**
- New rail and transport projects in FY18:
 - Transport for NSW
 - Metro Trains Melbourne
 - Northwest Rail Link Project
- New renewable projects in FY18:
 - Wirsol Solar Farms (Clermont & Wemen)
 - Emerald Solar Farm
 - Haughton Solar Farm
 - Greenough Solar Farm
- Water business expanded national presence with projects for:
 - Melbourne Water
 - Water Corporation of WA
 - Water NSW
- BAE Systems 10-year facilities management contract

Opportunities

- Selective with regard to counterparties and risk profile in Solar
- Targeting large opportunities in rail & transport in Australia and NZ
 - Auckland City Rail Link Project (IPAA Secured)
- Strategic partnerships:
 - Opus International Consultants Limited (Auckland City Rail Link Project)
 - Novo Rail Alliance
 - Rhomberg Rail
- Recurring revenue base continuing to strengthen
 - Property Services



	FY18	FY17
Revenue	\$1,482.4M	\$819.0M
EBIT	(\$9.8M)	\$36.0M

FY18 Performance

- Revenue **\$228.0M**
- EBIT **\$12.5M**
- Contracts include:
 - Senipah 92MWe Power Plant
 - PT Chandra
 - Mataura Valley
 - South 32
- Strong contributions by Energy Service, Upgrades and Maintenance

Opportunities

- Preferred Contractor Status on an open-cycle power station
- Preferred Contractor Status on waste-to-energy project
 - Developing a pipeline of opportunities in this sector
- Strong pipeline of opportunities in Australia, NZ and Indonesia:
 - gas-fired power plants
 - biomass boilers
- Recent recurring revenue contract renewals for upgrades and maintenance business



	FY18	FY17
Revenue	\$228.0M	\$187.8M
EBIT	\$12.5M	\$0.5M

FY18 Performance

- Revenue **\$303.5M**
- EBIT **\$1.7M**
- New contract awards:
 - Fortescue Metals Group Overland Conveyor
 - MSP Talison Lithium Structural Steel
 - Iluka Cataby Screening Plant
- Other major works in progress:
 - Pilbara Minerals Lithium processing plant
- Market leadership in minerals processing equipment

Opportunities

- RCR proprietary equipment - apron & belt feeders, conveyors, stackers & spreaders, crushing & screening and mobile mining plants
- Innovative technology solutions
- Increasing global demand for zinc and lithium
- Global gold and copper markets remain strong



	FY18	FY17
Revenue	\$303.5M	\$275.2M
EBIT	\$1.7M	\$14.0M

Safety, Environment and People



E.I. Engineering Intelligence

FY18 Safety Performance

- All injury frequency rate continues to improve
- TRIFR of **5.82**
- LTIFR of **0.30**

Environmental Performance

- Zero reportable environmental incidents
- Remained below reporting level for carbon emissions

Workforce

- Long tradition of employing our own people and trades
- Workforce of **3,411**
- Apprentices and trainees **108**

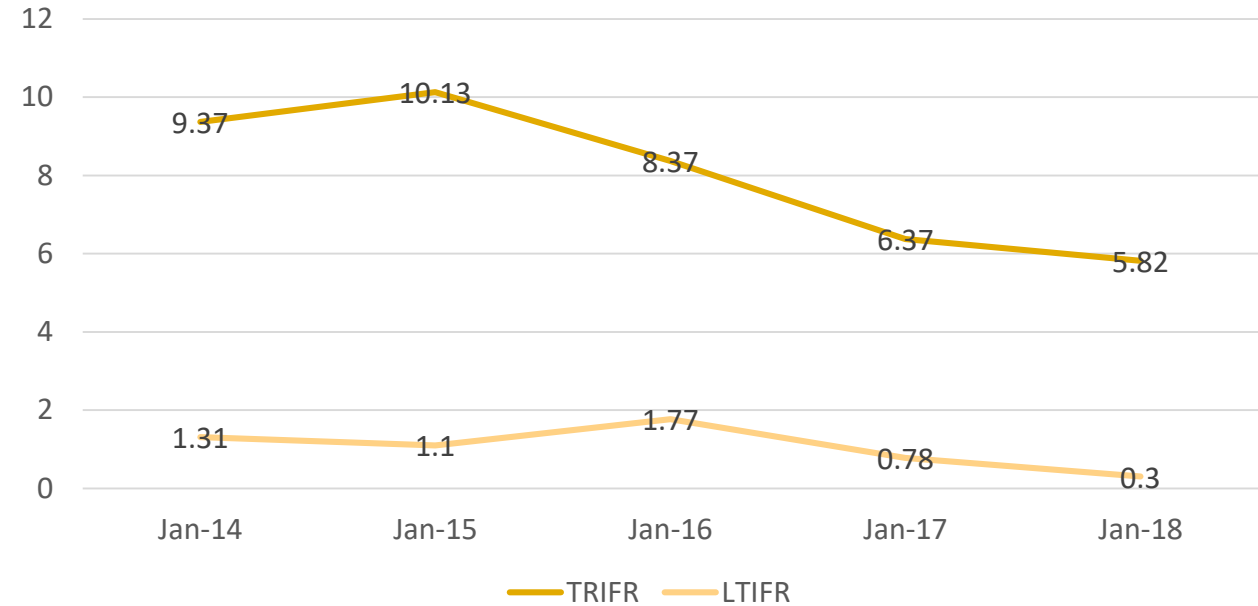
Leading Safety Indicators

- **716,662** Take 5 actions completed
- **46,602** Tool Box and Pre-start meetings conducted
- **22,652** Safe Act Observations conducted
- **34,735** Job Safety Hazard Analyses completed

Accreditations



Safety Performance



LTIFR

62%
Improvement



E.I. Engineering Intelligence

Corporate Overview & Outlook

ENGINEERING INTELLIGENCE.
That's what we do.

Strategic focus



E.I. Engineering Intelligence

RCR is re-positioning towards a more acceptable risk profile

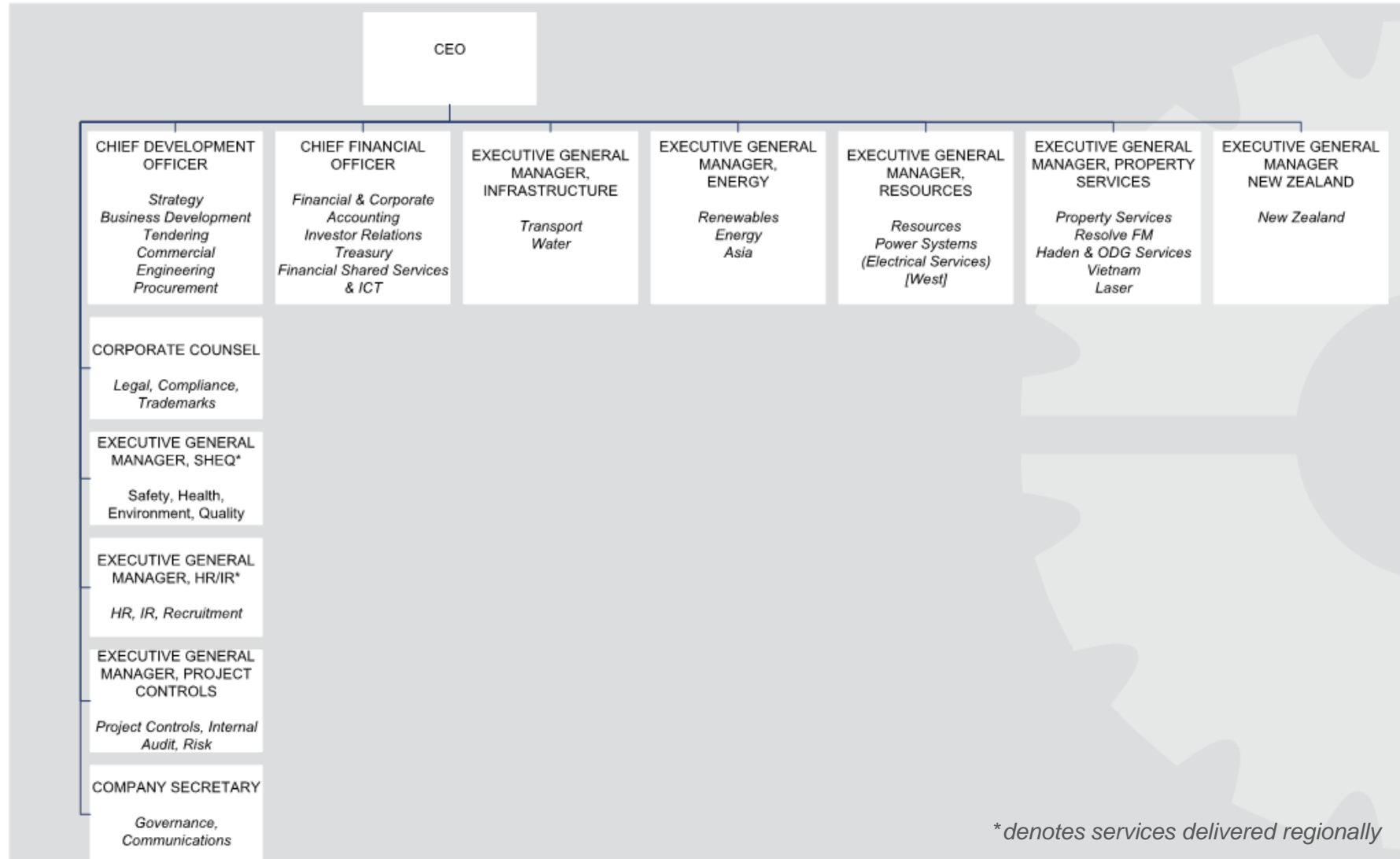
Consolidating existing business	Focus on Rail and Transport	Selective participation in Solar
<ul style="list-style-type: none">• Focus on consolidating existing operations and completing current projects<ul style="list-style-type: none">• Order book: \$0.9B*• Preferred: \$2.1B*• Near-term opportunities will be carefully assessed with an increasing focus on:<ul style="list-style-type: none">• Well known counterparties• Contracting structures that typically provide a higher degree of margin predictability• More acceptable risk profile	<ul style="list-style-type: none">• Significant pipeline in rail and transport opportunities• Rail and transport sector projects typically provide higher degree of margin predictability<ul style="list-style-type: none">• Increasingly undertaken pursuant to 'alliance style' contracting models• RCR is currently tendering major rail and tunnel projects across Australia and New Zealand	<ul style="list-style-type: none">• RCR is being selective with regard to solar opportunities:<ul style="list-style-type: none">• Counterparties• Project size• Project risk profile• Project margin

* As at 30 September 2018

New organisational structure



E.I. Engineering Intelligence



Focussed on Project Delivery

- ✓ Streamlined reporting to CEO
- ✓ Improve ongoing management efficiency
- ✓ Restructured & right sized to meet challenges of a highly competitive market
- ✓ Consolidated business development to a central unit
- ✓ New Zealand to have separate but mirroring country structure

FY19: Update



E.I. Engineering Intelligence

- Recently experienced some delays and labour productivity issues in completion phases on some of our solar projects, however most of our solar projects are now greater than 96% complete.
- The above is offset by identified cost savings & contingencies in guidance.
- Cost savings are expected from November 2018:
 - restructure overhead savings implemented
 - focus on reduction in discretionary spend
 - review of fixed cost structures
- Reduction in order book due to some delays in contract awards:
 - client delays e.g. delays in project approvals/financing
 - effect of RCR's voluntary suspension on the ASX
 - RCR expects recent caution displayed by new clients will diminish
 - increased focus by RCR on a more acceptable risk profile.
 - multiple "alliance style" contract opportunities in preferred & tender list
- Increased focus and activity on medium size contracts
 - RCR proprietary equipment & manufacturing
 - shutdowns, service & spare parts revenue
 - recurring contracts in property services



E.I. Engineering Intelligence

Project Experience

ENGINEERING INTELLIGENCE.
That's what we do.

Project Experience – Solar Energy



E.I. Engineering Intelligence



Greenough Solar Farm

Project: 30MWac Solar Farm
Location: Greenough, WA
Client: Synergy

In FY18, RCR was awarded an EPC contract by Synergy for a 30MWac expansion of the Greenough River Solar Farm in Western Australia. RCR's scope of works for the project includes engineering, procurement, construction and commissioning of the expanded Solar Farm, with target completion in Q2, 2019.

The project diversifies the Company's traditional offerings in Western Australia and also expands on RCR's increasing footprint of solar projects across Australia.

Project Experience – Solar Energy



E.I. Engineering Intelligence



Gannawarra Solar Farm & Energy Storage

Project: 50MWac Solar Farm with
25MWac/50MWh battery storage

Location: Kerang, VIC

Client: Edify Energy Pty Ltd

In March 2017, RCR announced it had been awarded the EPC and O&M contracts on the Gannawarra Solar Farm. In March this year, the Company was awarded the EPC contract for the 25MW/50MWh Energy Storage System.

The project is the largest combined utility-scale solar and battery energy storage system in Australia (and amongst the largest in the world).

RCR's significant involvement on the project demonstrates the Company's leading position in the renewable energy sector, including its capabilities in the design and construction of utility-scale battery storage infrastructure.

Project Experience – Solar Energy



E.I. Engineering Intelligence



Sun Metals Solar Farm

Project: 125MWac Solar Farm
Location: Townsville, QLD
Client: Sun Metals Corporation

RCR delivered a 125MWac solar power plant with thin-film PV modules for Sun Metals Corporation under an EPC contract, to supply power to Sun Metals' Zinc Refinery near Townsville, QLD.

RCR's scope of work included engineering, procurement, construction and commissioning of the complete solar power station including the building of access tracks, civil, structural and electrical construction. Work includes the installation of over 1 million photovoltaic solar panels on fixed mounting structures across the site.

Project Experience – Rail Stations



Melbourne Underground Rail Loop

Project: Station Upgrades
Location: Melbourne, VIC
Client: Metro Trains Melbourne

In January 2018, RCR announced that it had been awarded a contract by Metro Trains Melbourne to deliver station upgrade works within the Melbourne Underground Rail Loop, an essential part of Melbourne's metro rail network.

RCR's scope of work includes engineering, design, supply, installation, testing, commissioning of system upgrades for three stations at Parliament, Melbourne Central and Flagstaff below the Melbourne CBD. The station upgrades will deliver significant improvements to fire safety systems within the three City Loop stations.

The contract, now valued at \$84 million, demonstrates RCR's depth of capability to deliver and support a range of complex rail systems projects.

Project Experience – Water



E.I. Engineering Intelligence



Water & Sewerage Capital Works

Project: Capital Works Program
Location: Melbourne, VIC
Client: Melbourne Water

RCR, together with JV partners Abergeldie Contractors and Stantec Australia Pty Ltd, executed a Framework Agreement with Melbourne Water for its Water and Sewerage Capital Works Program. The program has an initial three (3) year period, plus the possibility of extensions of up to a further seven (7) years.

The Capital Works Program includes a range of design and construct, construct-only, and design-only projects worth approximately \$500 million and will be delivered between two panel members, one of which is RCR.

Project Experience – Power Plant



E.I. Engineering Intelligence



KEP Senipah 92MWe Power Plant

Project: Combined Cycle Addition
Location: Senipah, Indonesia
Client: PT Kartanegara Energi Perkasa

RCR is delivering a combined cycle addition to PT Kartanegara Energi Perkasa (“KEP”)’s existing open-cycle 92MWe gas-fired power plant in Senipah, Indonesia.

RCR’s scope of work includes overall project management, design, and supply of Heat Recovery Steam Generators (HRSGs) and the supply of associated plant, including steam turbine, condenser and generator. The completed project will increase the power plant output by a further 27MWe.

RCR’s involvement on the project reflects the Company’s strategic focus to expand its South East Asian footprint.

Project Experience – Minerals: Lithium



Pilgangoora Lithium Processing Plant

Project: Pilgangoora Lithium Plant
Location: Pilbara, WA
Client: Pilbara Minerals

RCR was awarded a contract with Pilbara Minerals Limited for the EPC of a processing plant for the Pilgangoora Lithium-Tantalum Mine in WA.

RCR's scope includes the EPC of a 2Mtpa Lithium-Tantalum Processing Plant, including wet and dry circuit with concentrator, associated plant and commissioning at Pilbara Mineral's Pilgangoora Lithium-Tantalum Mine located 120km south of Port Headland. RCR is using its Western Australian workshops to support and perform some of the fabrication required for the project.

Project Experience – Minerals: Iron Ore



Relocatable Conveyor System

Project: Relocatable Conveyor
Location: Cloudbreak Mine, WA
Client: Fortescue

RCR was awarded a contract to design, manufacture and construct a 5km relocatable conveyor system for Fortescue Metals Group.

This project was the first to emerge under an innovation and development Memorandum of Understanding (MOU) between RCR and Fortescue, targeted at identifying improved productivity and efficiency initiatives across Fortescue's iron ore operations.

The relocatable conveyor system has been identified as a key productivity initiative for future ore deposits and is being trialled at Fortescue's Cloudbreak Mine.



E.I. Engineering Intelligence

Questions

ENGINEERING INTELLIGENCE.
That's what we do.

RCR Tomlinson Ltd

Annual General Meeting 2018



E.I. Engineering Intelligence



Items of Business

Mr Roderick Brown
30 October 2018

Items of Business



E.I. Engineering Intelligence

1. 2018 Annual Financial Report
2. Approval of the 2018 Remuneration Report (non-binding resolution)
3. Re-election of Director – Mr Roderick Brown
4. Election of Director – Mr David Robinson
5. Renewal of RCR Performance Incentive Plan

Item 1: 2018 Annual Financial Report



E.I. Engineering Intelligence

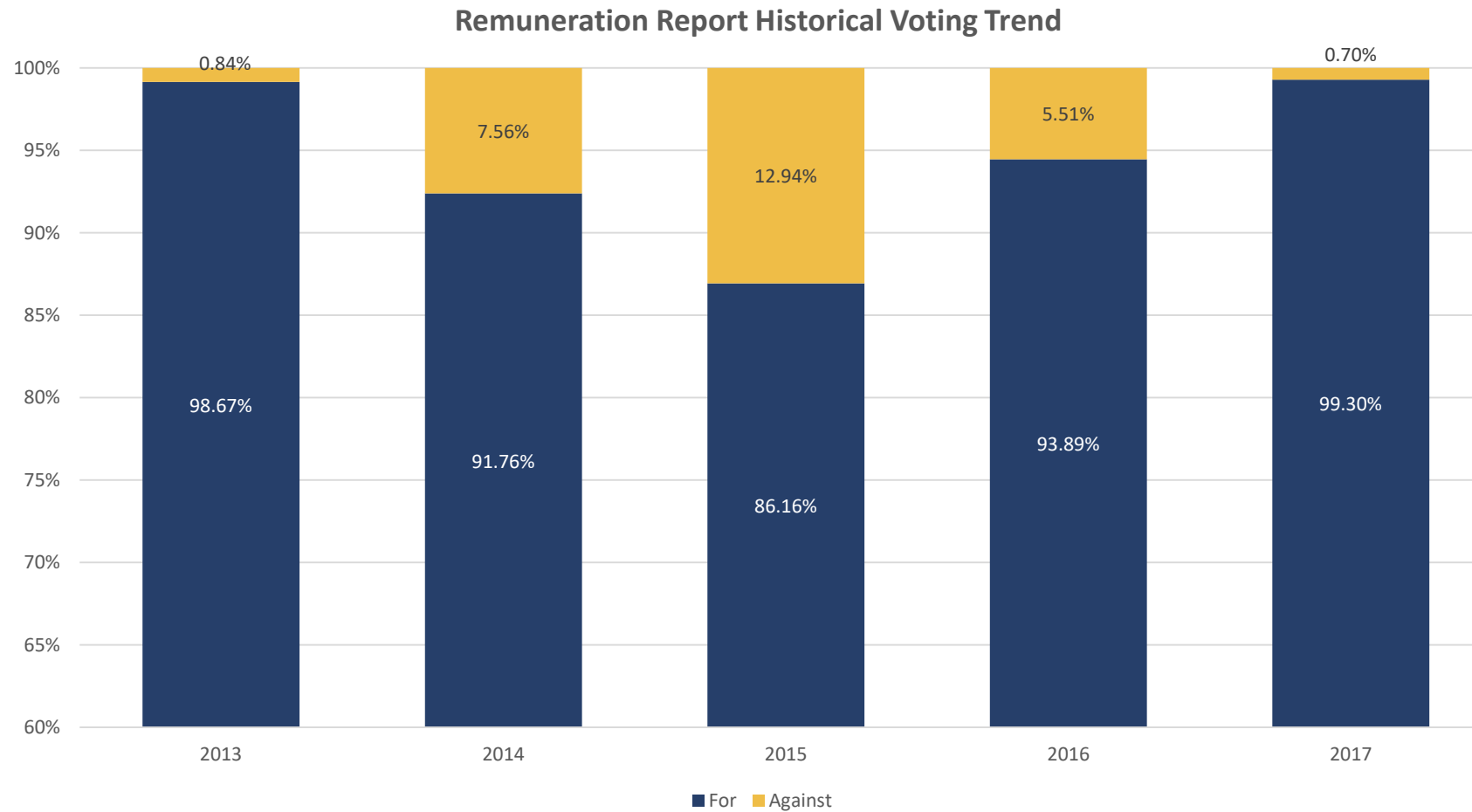
Note: Shareholders are not required to approve the 2018 Annual Financial Report

Opportunity for Shareholder Questions

Item 2: Approval of 2018 Remuneration Report



E.I. Engineering Intelligence



Item 3: Re-election of Director

Mr Roderick Brown



Independent Non-Executive Director & Chairman AWASM, MAID, AusIMM

Mr Brown is an engineer by profession and has extensive experience in marketing and general management. He has over 20 years' experience as a company Director. During his career, Mr Brown has worked in Australia, the USA and Europe with many companies involved in the engineering, mining and industrial service sectors. He has held various senior management positions including as Managing Director with global responsibility.

Board Committee Membership:

- *Member of the Audit & Risk Committee*
- *Member of the Remuneration & Nomination Committee*
- *Member of the Tender Review Committee*

Opportunity for Shareholder Questions

Item 4: Election of Director

Mr David Robinson



Independent Non-Executive Director BEng (Civil), FAICD, FIEAust

Mr Robinson is a professional engineer with over 40 years' of experience across the heavy civil and construction, petrochemical, oil and gas, mechanical, underground, marine and commercial building sectors. During a 37-year career at McConnell Dowell, Mr Robinson held a number of Management and Executive roles, including 15 years' experience as Managing Director and CEO, until his retirement in 2015. He has also previously served on the boards of Aveng Limited, Infrastructure Partnerships Australia and Australian Constructors' Association Limited.

Board Committee Membership:

- *Chair of the Tender Review Committee*
- *Member of the Audit & Risk Committee*
- *Member of the Remuneration & Nomination Committee (as of 3 October 2018)*

Opportunity for Shareholder Questions

Item 5: Renewal of RCR Performance Incentive Plan



E.I. Engineering Intelligence

Note: The key features of the Performance Incentive Plan are summarised in the Explanatory Memorandum accompanying the Notice of Meeting.

Opportunity for Shareholder Questions



E.I. Engineering Intelligence

Poll & Close of Meeting

ENGINEERING INTELLIGENCE.
That's what we do.



E.I. Engineering Intelligence

Refreshments

ENGINEERING INTELLIGENCE.
That's what we do.



E.I. Engineering Intelligence

Results of Poll

ENGINEERING INTELLIGENCE.
That's what we do.



E.I. Engineering Intelligence

Appendix A: Disclaimer

ENGINEERING INTELLIGENCE.
That's what we do.

Disclaimer



E.I. Engineering Intelligence

This presentation and any oral presentation accompanying it has been prepared by RCR Tomlinson Ltd ABN 81 008 898 486 ("RCR" or "the Company").

Summary of information: This presentation contains general and background information about RCR's activities current as at the date of the presentation and should not be considered to be comprehensive or to comprise all the information that an investor should consider when making an investment decision. The information is provided in summary form, has not been independently verified, and should not be considered to be comprehensive or complete. RCR is not responsible for providing updated information and assumes no responsibility to do so.

Forward looking information: This presentation contains forecasts and other forward looking information. Such forward looking information is not a guarantee of future performance and is subject to risks, uncertainties and assumptions which could cause actual results, timings or events to differ materially from the expectations described in such forward looking information. This forward looking information does not constitute any representation as to future performance and should not be relied upon as financial advice of any nature. Any forward looking information contained in this presentation is qualified by this cautionary statement. Before making an investment decision, investors should consider the risks and strategic objects of RCR as set out in its 2018 Annual Report.

Risks: RCR's performance is subject to a range of risks that can impact performance (including those summarised in the 2018 Annual Report) and factors outside of the control of RCR (for example, the timing for commencement of projects or awards of tenders). Risks related to both Order Book and Preferred Contractor Status are subject to, amongst other things, timing, cancellation or delays and therefore are not sufficiently certain. Investors or potential investors are therefore cautioned on placing undue reliance on any forward looking information.

Not financial product advice: This presentation is not a financial product, investment advice or a recommendation to acquire RCR securities, and has been prepared without taking into account the objectives, financial situation or needs of individuals. Before making an investment decision, investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs, and seek legal, taxation and financial advice appropriate to their jurisdiction and circumstances. RCR is not licensed to provide financial product advice in respect of its securities or any other financial products. RCR assumes that the recipient is capable of making its own independent assessment, without reliance on this presentation, of all publicly available information and any potential investment and will conduct its own investigation.

This presentation should not be considered as an offer or invitation to subscribe for or purchase any securities in the Company or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in the Company will be entered into on the basis of this presentation.

Disclaimer: To the maximum extent permitted by applicable laws, RCR and its related bodies corporate, and each of their respective directors, agents, officers, employees and advisers, expressly disclaim all liabilities (however caused, including negligence) in respect of, make no representations regarding, and take no responsibility for, any part of this presentation and make no representation, or warranty as to the currency, accuracy, reliability or completeness of any information, statements, opinions, conclusions or representations contained in this presentation. In particular, this presentation does not constitute, and shall not be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of RCR.