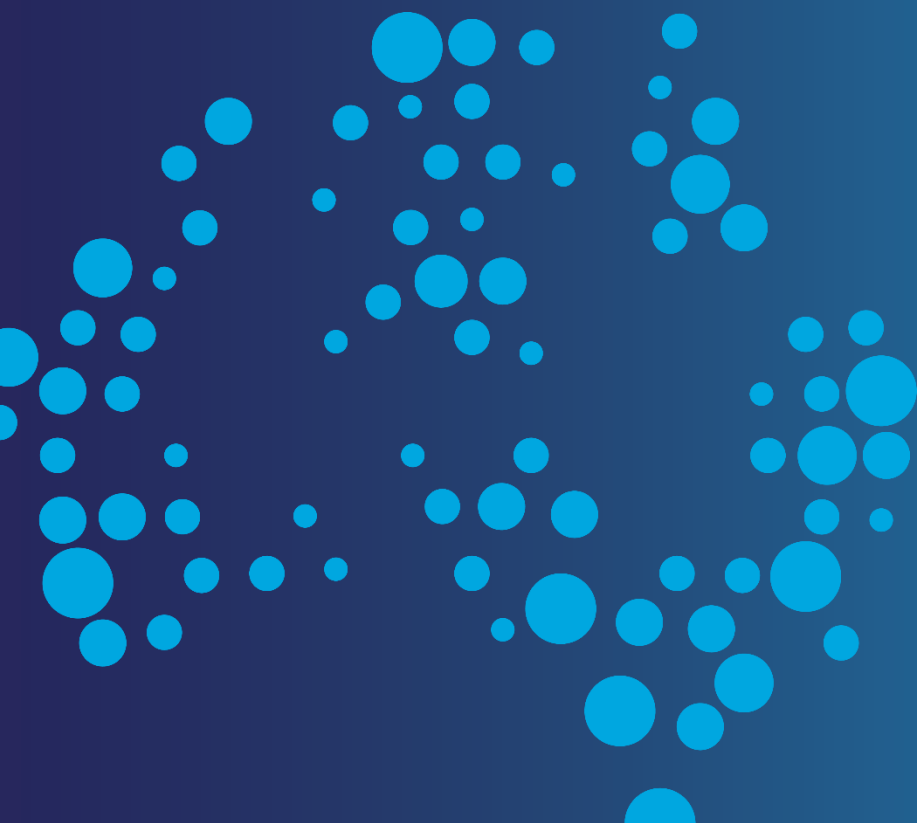


Macquarie Australia Conference

6 May 2021



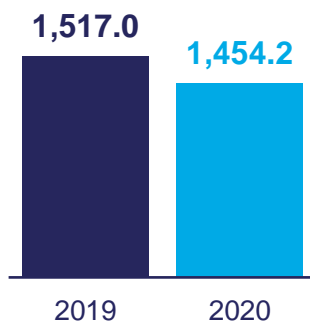
Q121 – Operational / market update

- **ESG performance continues to improve**
 - TRIFR - 24% improvement on pcp
 - At the end of April 2021, RDF usage now run-rating at 31% fuel substitution at the Birkenhead plant
- **Demand in Q121 remains robust**
 - Demand for construction materials robust across most Australian markets
 - COVID-19 lockdowns disrupted activities at some sites in Q121, delaying supply of “pent-up” demand
 - Sales volumes for cement, lime, concrete, aggregates and concrete products are ahead of pcp, which was impacted by weather and bushfires
 - HomeBuilder driving residential construction, lifting demand across majority of markets
- **Market review**
 - Western Australian demand not materially impacted by lockdowns. Cement volumes continue to be strong. Lime volumes improved modestly, with demand from both alumina and non-alumina customers.
 - South Australian cement and concrete volumes are slightly ahead of pcp, while demand for aggregates remains robust with volumes ahead of prior year
 - Victorian concrete and aggregate volumes were impacted by the lockdown in February and a slow start to commercial projects
 - New South Wales concrete and aggregate volumes exceeded the prior year, which was impacted by weather and bushfires
 - Queensland concrete and aggregate volumes are running ahead of pcp as residential construction drives demand and base material now being supplied to the Cooroy to Curra highway project from the Scotchy Pocket quarry
 - Average selling prices have increased modestly compared to pcp across all product categories excluding lime. Improved pricing in Western Australia, driven by high demand for higher margin products (mix), has offset the impact of subdued pricing in the New South Wales and Queensland markets
- **Key projects**
 - Birkenhead – kiln shut and tyre replacement completed injury free and broadly in line with budget
 - Kwinana Upgrade Project – key staffing appointments made, site works have commenced, project on track
 - Accolade refurbishment – key milestones met, shipyard schedule >70% complete, commissioning delayed due to additional works as well as 6 day closure of shipyard in Singapore due to COVID-19. Contingency plans in place and risks being managed

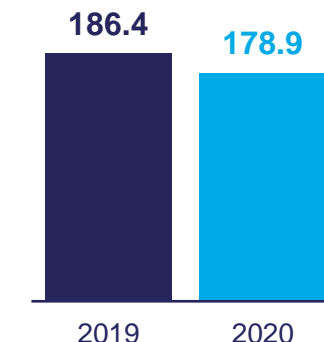
Financial summary – 2020 results

2020 underlying earnings exceeded expectations due to cost-out, despite lower revenue that was largely driven by slower residential construction

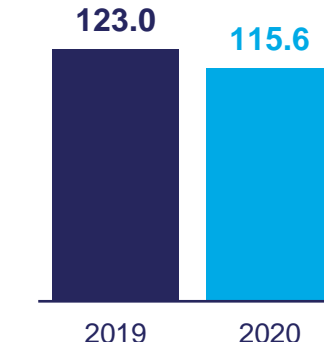
Revenue (\$m)



Underlying EBIT* (\$m)

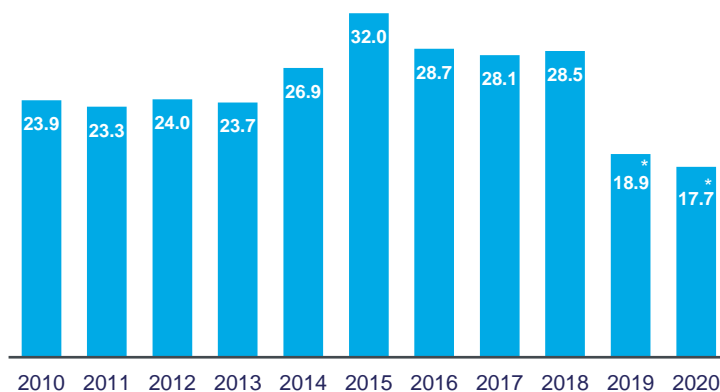


Underlying NPAT* (\$m)



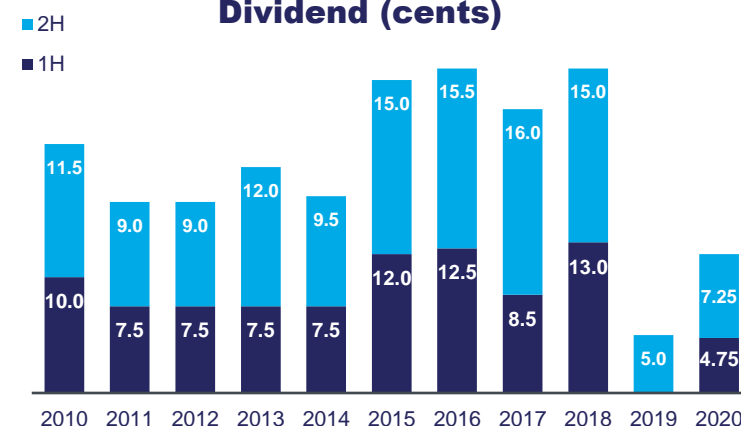
Stable shareholder returns over the longer term

EPS (cents)



* Underlying earnings per share

Dividend (cents)



* "Underlying" EBIT, NPAT, ROFE and EPS exclude significant items. Refer slide 17 for reconciliation to reported earnings

Contributing to a sustainable future

Staff engagement

70%

engagement rate

Alternative fuel usage

200

basis points increase in usage as a proportion of fuel in SA

Community investment

3

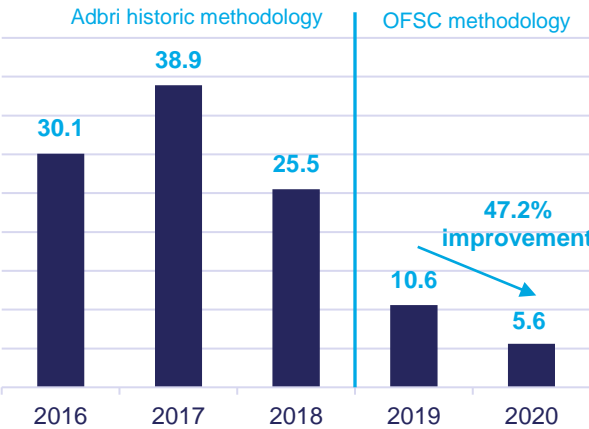
Aboriginal and Torres Strait Islander organisation sponsorships

Diversity and inclusion

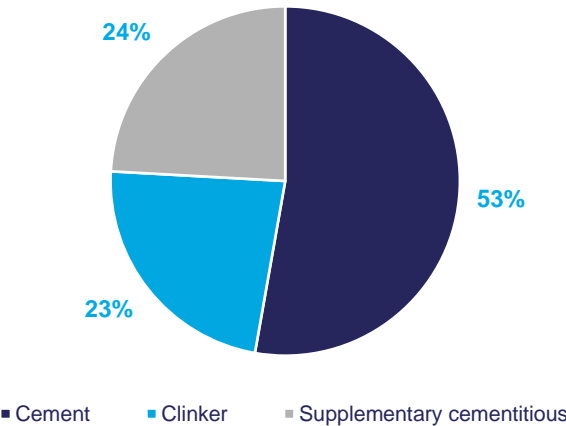
Reflect RAP approved and implemented

* OFSC methodology utilised from 2020, including 2019 comparative

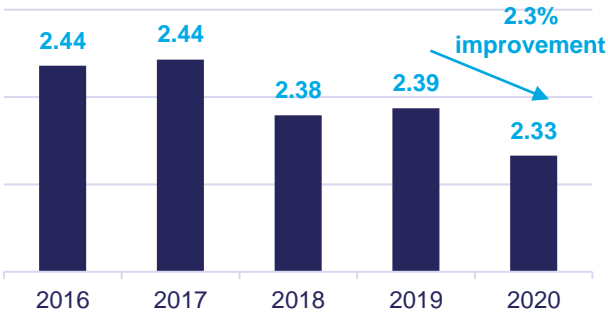
TRIFR*



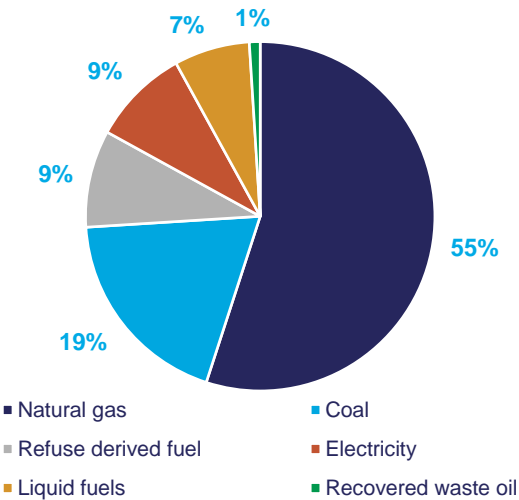
CEMENTITIOUS MATERIALS



CARBON EMISSIONS (MILLION TONNES)



ENERGY BY SOURCE



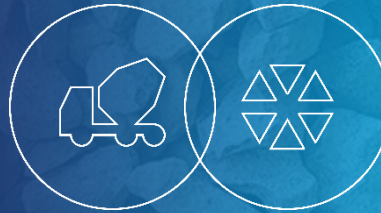
Business improvement and growth strategy

Right size,
reduce costs
and improve
operational
efficiency

Transform the
Lime business



Grow Concrete
& Aggregates



Enhance
capability in
infrastructure

Actively manage
land holdings

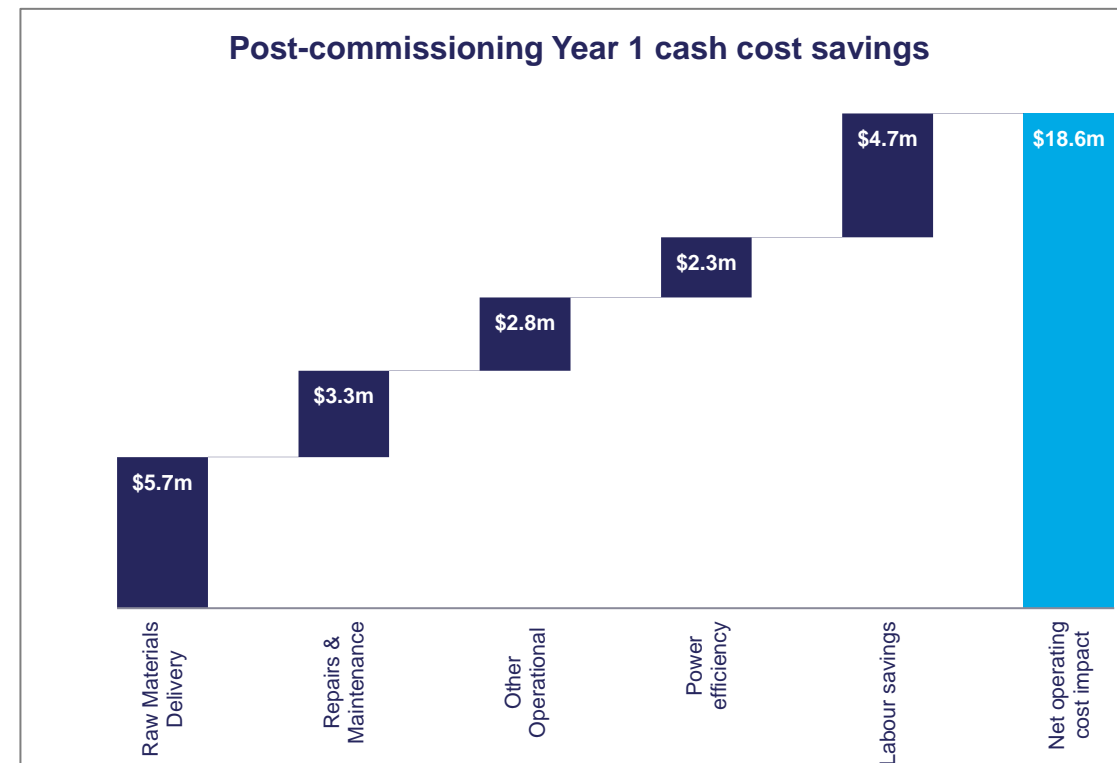
Operate in a **safe and sustainable** manner for the
long-term benefit of our **shareholders**, our **customers**,
our **team members** and the **community**

Key Metrics

- Capex - \$199.0 million
- Year 1 cash cost savings post-commissioning of ~\$19.0 million
- Net present value in excess of \$125.0 million
- Internal rate of return in excess of 15%

Status

- Key project team appointments complete
- Nearing completion of the assessment of key vendors that will result in contractual signing of agreements
- Project remains on track



Transform Lime: Customer-focused with broad product range

High-Grade Options – subject to feasibility studies

Site	Capacity 000's t	% Avail. Lime	Est. Capex \$m	Target Market
Kalgoorlie Kiln	200	90	80	Au, Ni, rare earths
Bunbury Kiln	Assessment of the Dongara expansion feasibility has been ruled out from present considerations. This option has been replaced with consideration of a Bunbury based alternative.			
Kwinana Kiln	100	90	15	Alumina

- Management are progressing the development of feasibility studies for several exciting high-grade prospects for our lime business including:
 - The development of a lime kiln operation in Kalgoorlie with raw material supply to be drawn from our high quality Rawlinna deposit, currently in care and maintenance
 - MOU signed with key party – Lynas
 - Discussions progressing with potential customers to displace lime sourced from importers
 - Technical analysis on quarry material and potential kiln design in progress
 - Exploring limestone supply options for the reactivation of a lime kiln operation at our Kwinana site
 - Raw material options being considered
- Progression of the feasibility studies has ruled out for present consideration the Dongara facility expansion previously included as an option. An alternate location (Bunbury) is being considered. Options consider the development of our various associated land holdings as part of the feasibility study

Actively manage land holdings

Opportunity

Land value realisation opportunities are extensive

Land activities focused on properties in Geelong region

- Hilltop land: Engagement with potential development partners initiated to unlock value from available planning concepts
- Batesford quarry: Approval of framework plan and precinct structure plans expected in the near term as part of the Western Geelong Growth Area. Continue to operate site as an active quarry, generating contribution while planning progresses

Maximise value of surplus land for shareholders

Land Value

Potential Realisation Opportunities⁽⁴⁾

	NON-STRATEGIC SURPLUS LAND	FUTURE OPERATIONS	STRATEGIC SURPLUS LAND	EXISTING OPERATIONS
Strategy	Divest	Fast track DA to accelerate vertical integration	Develop higher value options	Develop higher value options
Horizon	2 – 3 years	2 – 5 years	5 – 10 years	10 – 20 years
Potential Value Realisation	> \$50 million ⁽¹⁾	> \$100 million ⁽²⁾	> \$300 million ⁽¹⁾	> \$200 million ⁽³⁾

(1) Potential value realisation from disposal of land deemed surplus to existing operational requirements

(2) Potential value realisation from development of acquired land for future operations and/or partial disposal

(3) Potential value realisation from development of land currently in use at existing operations which may become surplus to operational requirements

(4) To be read in conjunction with the disclaimer on slide 22

HomeBuilder supporting demand in Q121, expected to continue through to Q321

Construction and mining sectors activity continues to improve

COVID-19 creates ongoing uncertainty which requires active management

- Strong Government stimulus and support for construction and mining sectors remaining 'open for business'
- Mining sector demand underpinned by strong production outlook in gold, nickel, iron ore and alumina
- Construction materials demand remains robust in 1H21 supported by HomeBuilder and State Government stimulus, 2H21 less certain due to timing of infrastructure projects
- Increased competition may place downward pressure on pricing, although pricing was stable in 2020 and has improved slightly in Q121 assisted by mix
- 2H21 earnings expected to be lower following cessation of Alcoa lime contract as well as the loss of cement sales from NSW competitor – after-tax impact ~ \$16.0 million
- Cost-out program, targeting \$20.0 million in savings, offset by \$10.0 million in cost headwinds
- COVID impacts expected to be lower in 2021 due to one-off items in 2020
- Capex for 2021 expected to be in the order of \$200.0 million, including ~ \$75.0 million for Kwinana Upgrade and ~\$40.0 million in development capital
- Surplus land sales - \$20.0 – 30.0 million in proceeds over the next 2 years
- Kwinana Upgrade Project is expected to deliver ~ \$19.0 million in EBITDA savings in its first year of operation post-commissioning
- Trading largely in line with expectations despite the impact of various state lockdowns during the year to date
- At this stage, we do not intend to provide specific guidance, due to the inherent uncertainty associated with COVID-19 and the timing of major infrastructure projects

Questions

Appendices



**Adbri has been
building a better
Australia since
1882.**

We're known for being always ready to deliver high performance products on time, every time. We provide cement, lime, concrete, aggregates, concrete products and industrial minerals that last the test of time.

We have a portfolio of respected brands and a national footprint.



Safety

We put safety first

We care about each-
other's wellbeing

We live by our Life
Saving Rules

Work Safe, Home Safe



Customer Focus

We deliver on our
promises

We are agile in
meeting our
customers' needs

We build long-term
partnerships that add
value

We act with integrity



Inclusivity

We work together

We embrace
differences

We respect and listen
to each other

We empower our
people



Sustainable Growth

We create value for
our investors and our
communities

We contribute to a
sustainable future

We learn and innovate

We invest in our
people



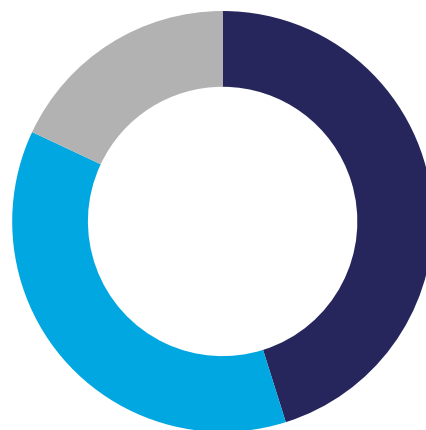
Economic diversification

FY2020
Revenue by product



- 42% Concrete and aggregates
- 37% Cement
- 12% Lime
- 9% Concrete products

FY2020
Revenue by market



- 45% Non-residential & engineering
- 37% Residential
- 18% Mining operations

FY2020
Revenue by state



- 25% Victoria
- 22% Western Australia
- 18% New South Wales
- 16% Queensland
- 15% South Australia
- 4% Other

Cement production, import and distribution

In 2020 Adbri:

- **Imported 2.3 million tonnes of cementitious materials**
- **Sold 4.1 million tonnes of cementitious materials**

-  Cement milling
-  Clinker production
-  Cement terminal
-  International imports
-  Domestic imports



Reconciliation of underlying profit

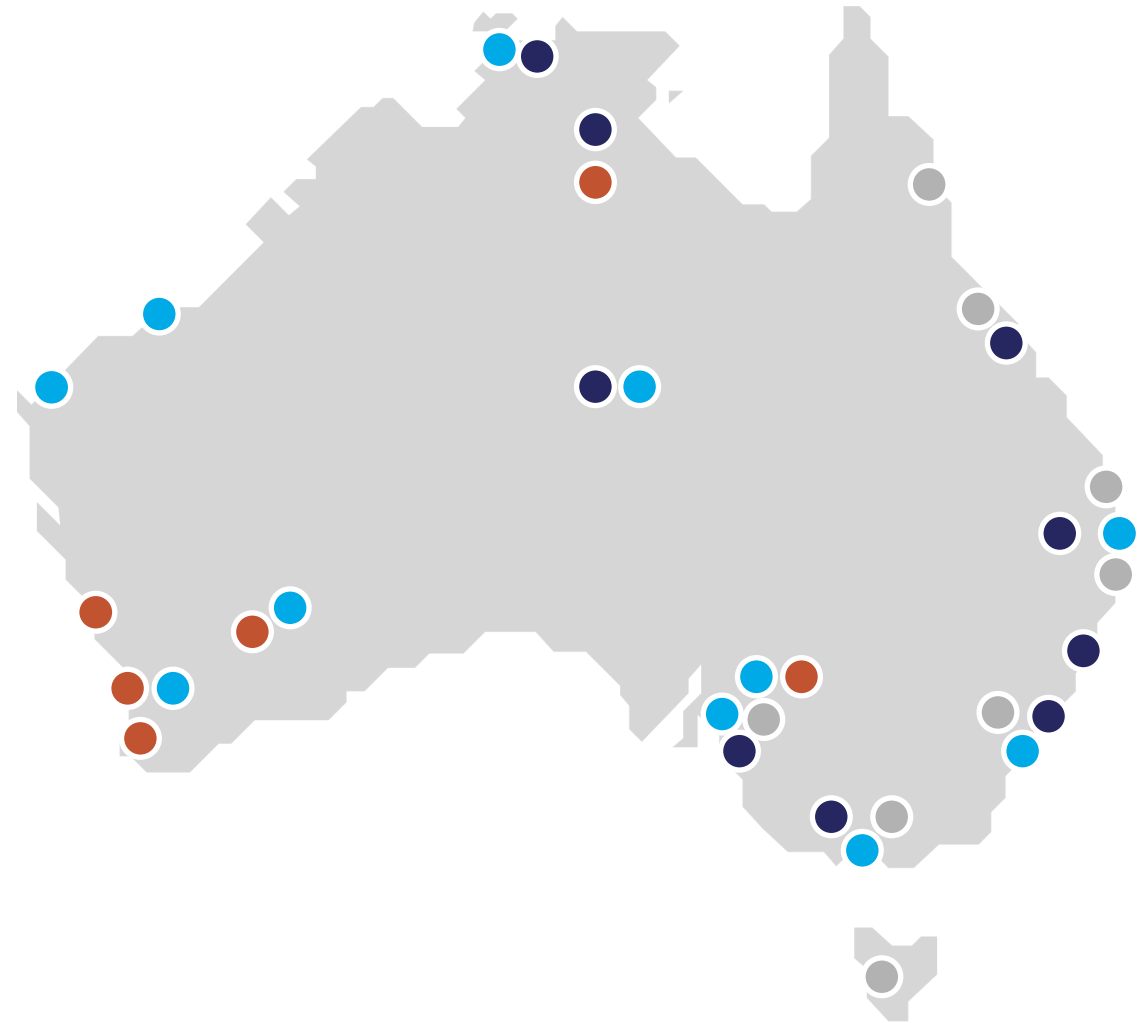
12 months ended 31 December				2019 (\$m)			2020 (\$m)		
	Profit before tax	Income tax	Profit after tax	Profit before tax	Income tax	Profit after tax	Profit before tax	Income tax	Profit after tax
Underlying profit attributable to members	168.0	(45.0)	123.0	158.6	(43.0)	115.6	158.6	(43.0)	115.6
Minority interest	(0.1)	-	(0.1)	(0.1)	-	(0.1)	(0.1)	-	(0.1)
Underlying profit	167.9	(45.0)	122.9	158.5	(43.0)	115.5	158.5	(43.0)	115.5
Impairment	(96.1)	26.3	(69.8)	(21.7)	6.5	(15.2)	(21.7)	6.5	(15.2)
Doubtful debts	(0.9)	0.3	(0.6)	(2.7)	0.8	(1.9)	(2.7)	0.8	(1.9)
Corporate restructuring costs	(7.1)	2.1	(5.0)	(6.9)	2.1	(4.8)	(6.9)	2.1	(4.8)
Acquisition expenses	(0.4)	0.1	(0.3)	-	-	-	-	-	-
Statutory profit	63.4	(16.2)	47.2	127.2	(33.6)	93.6	127.2	(33.6)	93.6
Minority interest	0.1	-	0.1	0.1	-	0.1	0.1	-	0.1
Statutory profit attributable to members	63.5	(16.2)	47.3	127.3	(33.6)	93.7	127.3	(33.6)	93.7

- Impairment in 2020 relates primarily to Munster lime assets being placed into care and maintenance, following announcement of the cessation of the Alcoa lime contract. Minor impairments have also been taken in relation to mothballed assets as a result of optimising the Group's production footprint
- Doubtful debt charges relate to debts raised in periods prior to 2020, with excellent debtor recovery experience in 2020
- Corporate restructuring costs include redundancy and one-off employment costs. In 2020, a \$5.0 million restructuring provision has been taken up in relation to the closure of lime kiln 5 at Munster. Cost savings are expected to be generated in future periods as a consequence of these redundancies

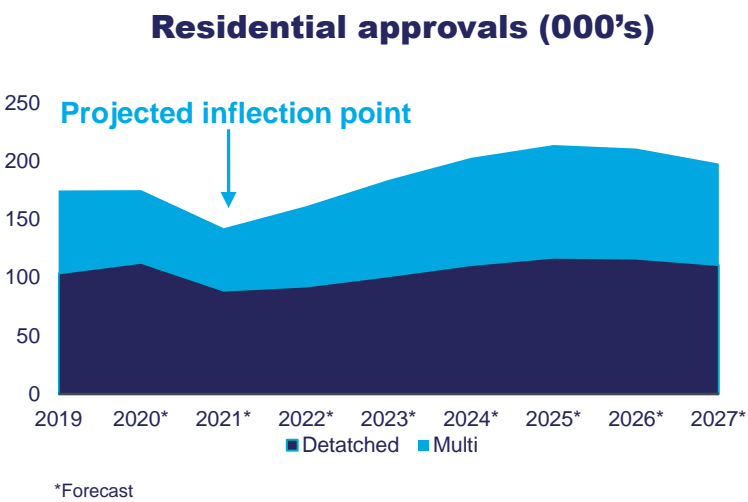
Reported profit

12 months ended 31 December	2019 (\$m)	2020 (\$m)	Change PCP (%)
Revenue	1,517.0	1,454.2	(4.1)
Earnings before depreciation, amortisation, impairment, interest and tax	271.6	262.7	(3.3)
Depreciation, amortisation and impairment	(189.7)	(115.1)	(39.3)
Earnings before interest and tax	81.9	147.6	80.2
Profit before tax	63.4	127.2	100.6
Tax (expense)	(16.2)	(33.6)	107.4
Minority interest	0.1	0.1	-
Net profit attributable to members	47.3	93.7	98.1
Basic earnings per share (cents)	7.3	14.4	97.3

- Improvement in earnings compared to 2019 is due to a \$74.4 million pre-tax reduction in impairment:
 - 2019 pre-tax impairment of \$96.1 million recognised reflecting impairment testing updated for outlook and reassessment of carrying values
 - 2020 pre-tax impairment of \$21.7 million primarily as a result of the decision to mothball Munster kiln 5 following the conclusion of the lime supply contract to Alcoa in June 2021



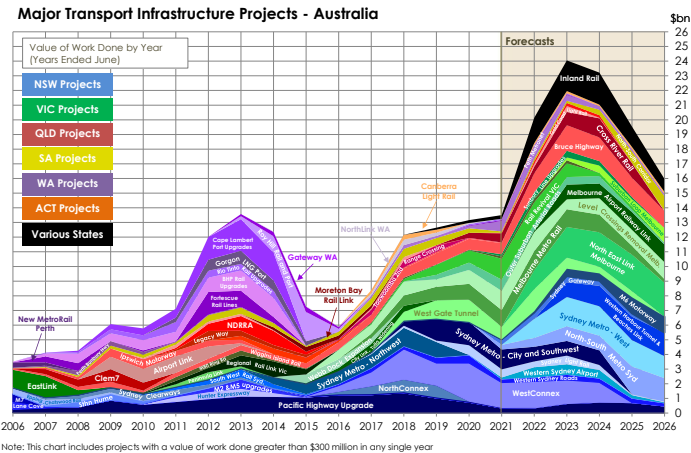
Projections



Long-term outlook remains strong

- Long-term residential construction supported by population growth
- HomeBuilder program lifted approvals in 2020
- Slowing approvals from 2018 have been exacerbated by lack of immigration, however this is expected to revert to stronger growth post COVID-19 pandemic

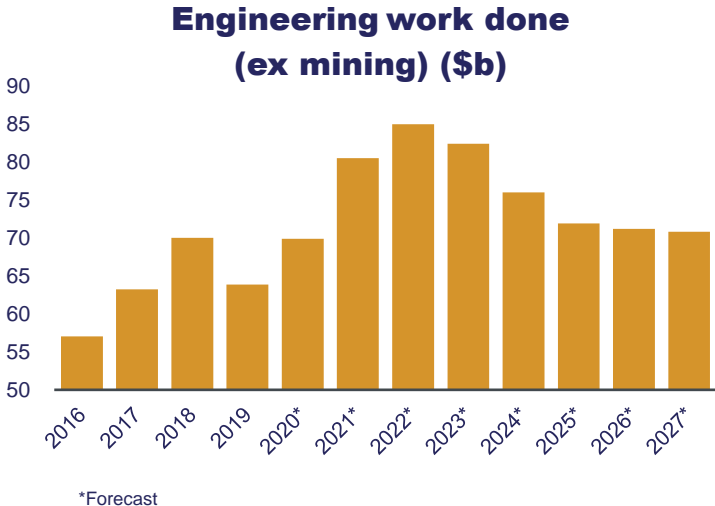
Source: Macromonitors: 'Australian construction outlook – Overview' December 2020



Pipeline of infrastructure investment

- COVID-19 stimulus measures announced by Federal and State Governments have added to the existing infrastructure pipeline
- Expectation of near-term delivery of projects as part of the focus on 'shovel-ready' projects by Government

Source: Macromonitors, 'Transport and Infrastructure' February 2021

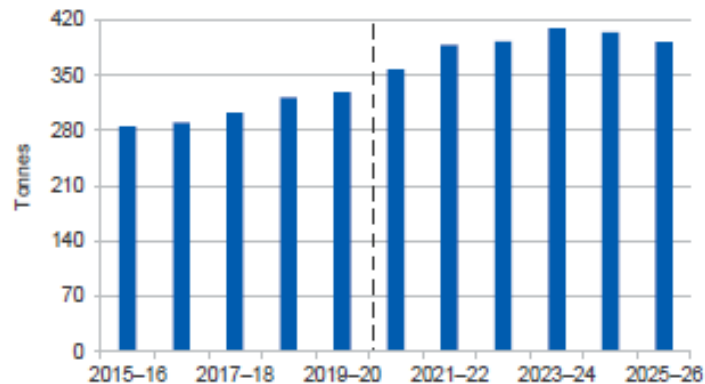


Infrastructure spending continues

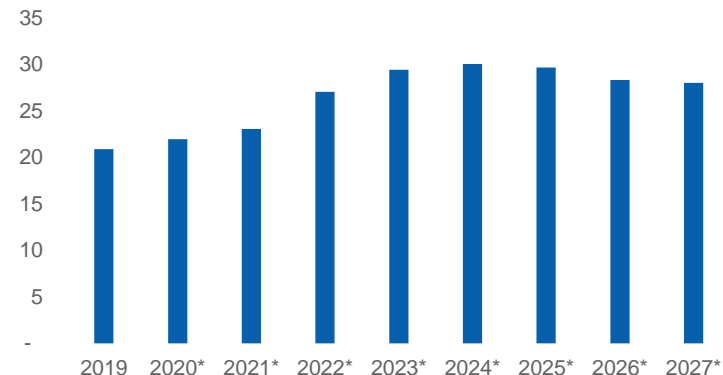
- Infrastructure work has declined since 2018 despite the pipeline of projects
- Long-term demand for construction materials from infrastructure is expected to grow

Source: Macromonitors: 'Australian construction outlook – Overview' December 2020

Outlook for gold production

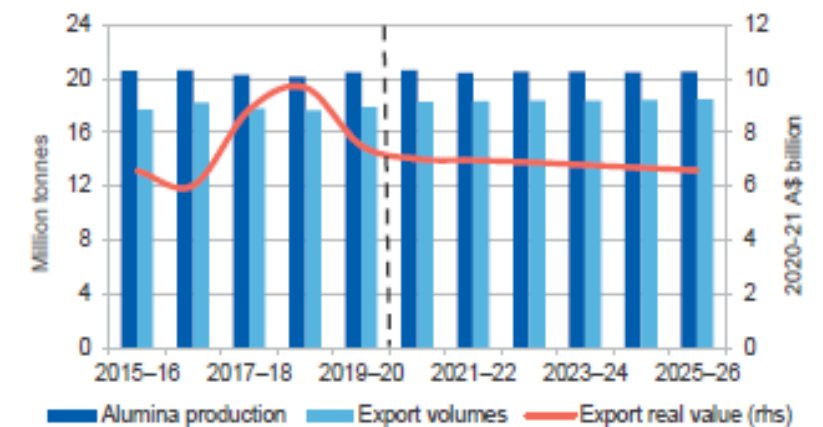


Value of mining work done (\$b)



*Forecast

Australian alumina production and price



Price for gold and nickel supports growth

- Gold production forecast to increase as global prices remain robust, supporting re-opening of mothballed mines and new operations
- Nickel developments supported by push for development of batteries across electricity

Source: Department of Industry, Science, Energy and Resources Resource and Energy Quarterly March 2021

Improved mining investment

- Demand from mining forecast to grow to 2024
- Mining activity supports demand for:
 - Cement – mine development and backfill binder
 - Lime – minerals processing and water management

Source: Macromonitors: 'Australian construction outlook – Overview' December 2020

Stable outlook for alumina

- Global demand and cost profile of local operations supports stable volumes from Australian alumina producers

Source: Department of Industry, Science, Energy and Resources Resource and Energy Quarterly March 2021

Adbri brands

Concrete, Aggregates and Masonry



Cement and Lime



Joint ventures

Joint ventures

Joint ventures



Independent
Cement



Disclaimer

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