



Through strong relationships built on trust, we transform assets and people.

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2023 Annual General Meeting

Wednesday, 29 November 2023



Introduction & Meeting Open

Phillip Campbell



Board of Directors & CEO



Philip Campbell
Non-Executive Chairman

Phillip joined Verbrec in October 2019 and is an experienced independent non-executive director on publicly listed and private company boards. His executive experience includes MD and CEO roles in a range of manufacturing and engineering businesses, and he has significant experience in business turnarounds then growing businesses to restore value. Phillip has a Bachelor of Electrical and Electronics Engineering from the University of Queensland and is a graduate of the Australian Institute of Company Directors.



Brian O'Sullivan
Non-Executive Director

As the former founder and Chairman of OSD, Brian joined the Verbrec Board in June 2019, bringing with him over 30 years' experience in business management, project management and engineering, specialising in the design, construction and maintenance of major pipelines and petrochemical facilities across Australia, PNG and South East Asia. Brian's key strengths include a strong technical knowledge and an in-depth understanding of commercial business activities. Brian has been a company director holding board positions for a range of entities, including Chairman of the Australian Muscular Dystrophy Foundation.



Matthew Morgan
Non-Executive Director

Matthew is an experienced independent non-executive director on publicly listed and private company boards. In addition to his role with Verbrec, he currently serves as a non-executive director and Chair of the Audit and Risk Committee for Total Brain (ASX:TTB). Matthew began his career as an Institutional Venture Capital fund manager with QIC Limited and brings significant commercial experience including M&A and capital raising to the Verbrec Board. Matthew has a Bachelor of Commerce from Griffith University, a Bachelor of Applied Science and an MBA from Queensland University of Technology, and was Australia's first Kauffman Fellow.



Sarah Zeljko
Non-Executive Director

Sarah has extensive executive, operational, governance and advisory experience gained across multiple large ASX listed, government and private corporations. She is recognised for her commercial acumen in negotiating commercial agreements, and experience in capital raising, M&A, construction, infrastructure and project management. Sarah is a Graduate of the Australian Institute of Company Directors (GAICD), a Graduate of the Australian Superannuation Trustees (GAIST) and an admitted Legal Practitioner.. Sarah currently holds positions on the Boards of Powerlink, LGAISuper, Unitywater, Intellidesign and Stockyard Beef.



Mark Read
Chief Executive Officer

Mark has been appointed Chief Executive Officer of Verbrec effective on 13 March 2023. He is a results-focused senior executive business leader, CEO and Board director with a proven record of successfully establishing, transforming, acquiring and growing businesses to improve profitability, enable international expansion and achieve sustained growth. Over 30 years' experience across publicly listed and privately held global engineering service companies with roles ranging from global enterprise management, engineering, project management and in turnkey construction through to operations and maintenance in a wide range of industries including Mining, Power, Environment, Water, and Infrastructure.

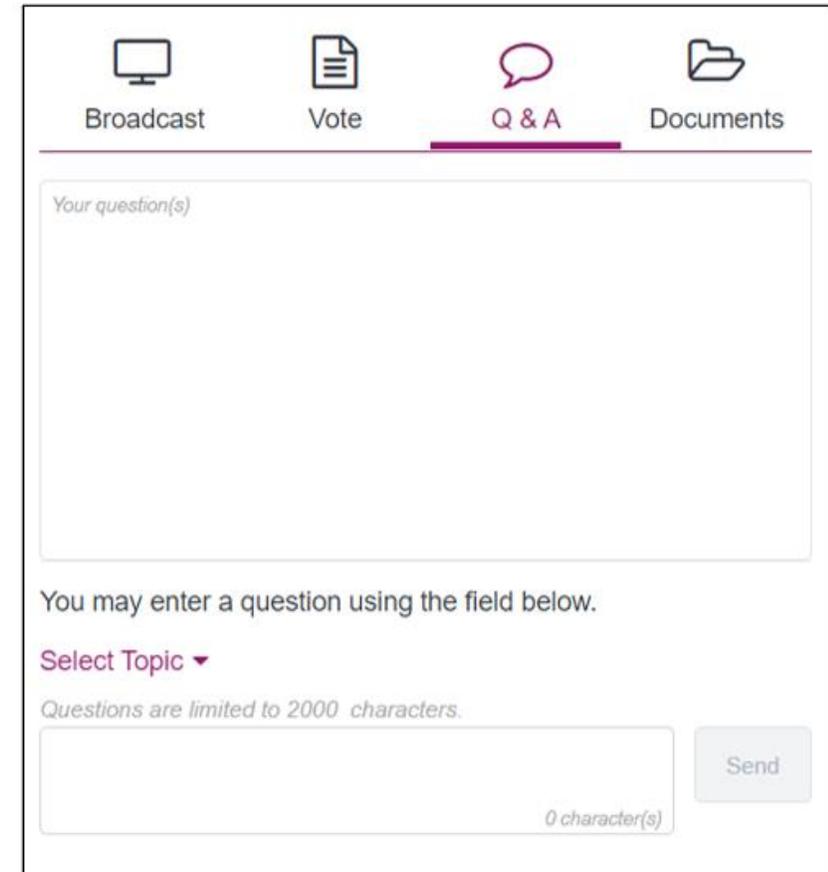
Procedural Matters

Phillip Campbell



How to ask questions

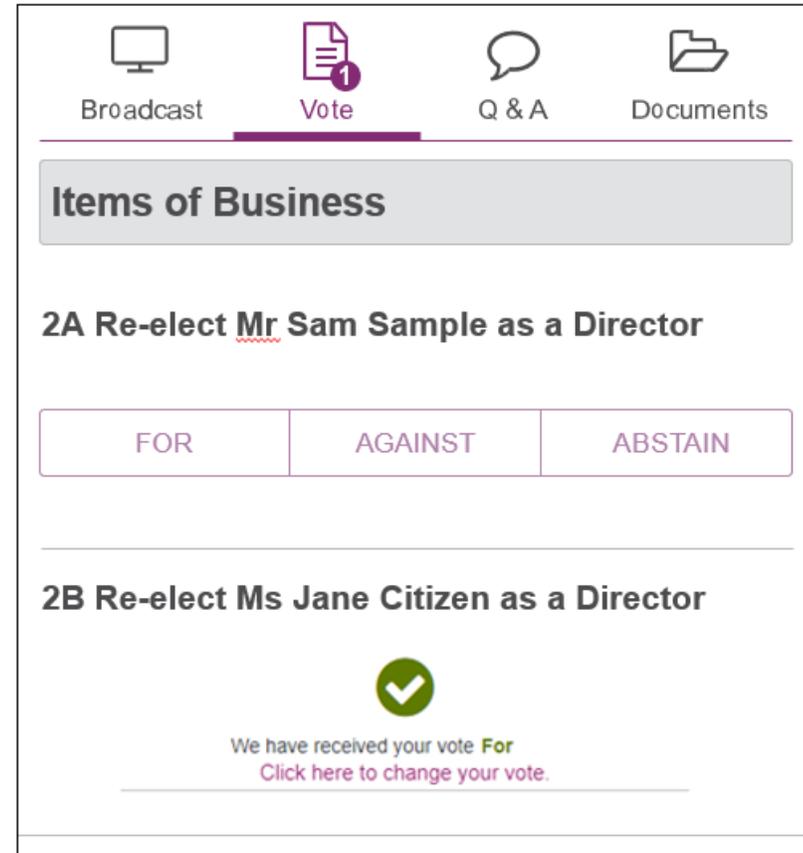
- To ask a written question select the Q&A icon
- Select the topic your question relates to from the drop-down list
- Type your question in the text box and press the send button
- Type your question in the text box and press the send button
- To ask a verbal question follow the instructions below the broadcast windows



The screenshot shows a user interface for asking questions. At the top, there are four navigation icons: Broadcast (monitor), Vote (document), Q & A (speech bubble), and Documents (folder). The Q & A icon is highlighted with a red underline. Below the navigation bar is a large text input field with the placeholder text "Your question(s)". Below this field is a smaller text input field with the placeholder text "Select Topic" and a downward arrow. Below the "Select Topic" field is a smaller text input field with the placeholder text "Questions are limited to 2000 characters." and a "Send" button. The "Send" button is disabled.

How to vote

- When the poll is open, select the vote icon at the top of the screen
- To vote, select either For, Against or Abstain
- You will see a vote confirmation
- To change or cancel your vote “click here to change your vote” at any time until the poll is closed



Broadcast **Vote** Q & A Documents

Items of Business

2A Re-elect Mr Sam Sample as a Director

FOR AGAINST ABSTAIN

2B Re-elect Ms Jane Citizen as a Director



We have received your vote **For**
[Click here to change your vote.](#)

Chairperson's Address



Phillip Campbell



Verbrec at a glance

Safety Zero Harm, Always

	LTIFR	MTIFR	TRIFR
FY16	1.14	1.14	2.28
FY17	0	2.39	3.59
FY18	0	1.45	4.35
FY19	0	0	0
FY20	0	0	0
FY21	0	0	0
FY22	0	4.35	8.70
FY23	0	1.20	6.02

500+

TEAM MEMBERS



3

CORE
MARKETS



ENERGY



MINING



INFRASTRUCTURE

30+

AREAS OF
EXPERTISE



1

PURPOSE

Through strong relationships built on trust, we transform assets and people.

Transforming assets for a sustainable and smarter future"



466

LEADERSHIP
CONVERSATIONS



77

HAZARD
REPORTS
SUBMITTED



7

YEARS
SINCE LAST LOST
TIME INJURY

Chairperson's Address



Changes to Management & Board

- Mark Read (CEO) joined Verbrec in March 2023
- Richard Aden (CFO) joined Verbrec in August 2023
- Driving accountability to management teams
- Leveraging core skills, eliminating poor performing areas
- New strategy for servicing blue chip client base
- Sarah Zeljko retiring from Board as of the end of this meeting

Capital Raise

- Placement and Entitlement Offer announced on 20 November 2023
- Investment in those parts of the business performing well, fund growth and working capital, and reduce net debt position
- Directors, CEO and management team have all shown support committed to participating in the placement and the entitlement offer / shortfall

Executive Remuneration

- Shareholder feedback on old performance rights plan
- Cancelled performance rights in October 2023
- New plan proposed in notice of meeting (Resolution 3)
- Aligned with interests of shareholders by encouraging accelerated return to profitable performance and rewarding accordingly by setting sensible milestones

CEO's Address



Mark Read



Who is Verbrec

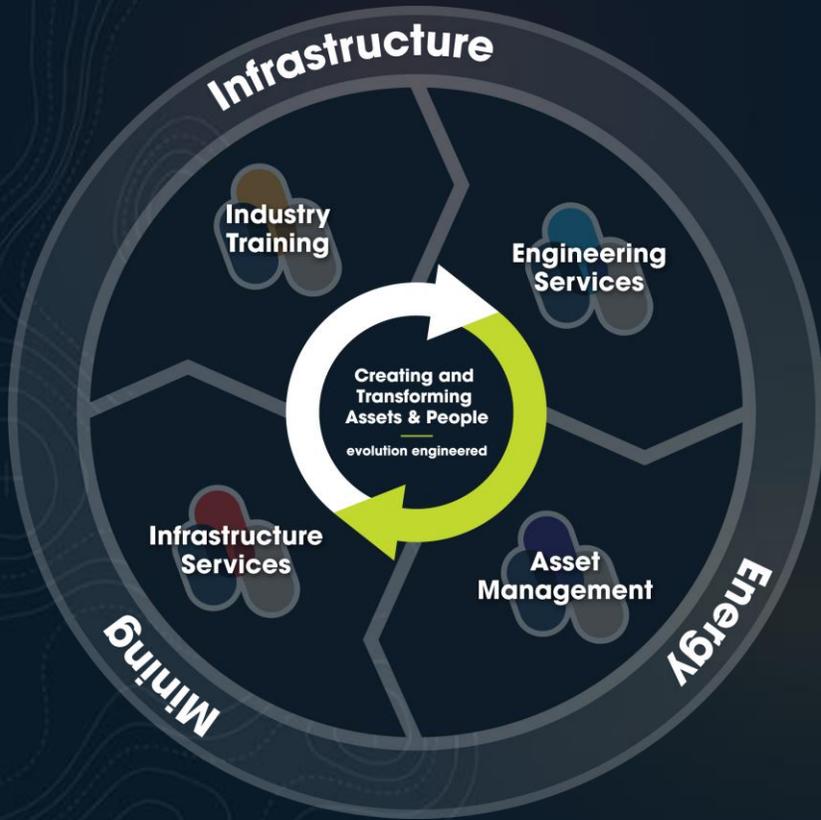
Verbrec is a leading Engineering, Asset Management, Infrastructure, Training and mining technology services provider, operating across the entire asset life-cycle. Our experienced team is recognised for its responsiveness and agility. We operate across multiple regions, including Australia, New Zealand, PNG, and the Pacific Islands, executing projects for organisations of all sizes.

As the industry goes digital and moves closer to its net zero targets, we have built an ecosystem offering solutions around our core pillars. Our services are engineered to enable our clients to not only be prepared for the time ahead but also meet their near-term needs.



Enabling a
“**sustainable future** for Verbrec, our Clients and their Customers”

Services & Geographical Footprint



Engineering transformative solutions through **full project and asset lifecycle.**



Corporate Snapshot



Capital Structure

ASX code	VBC
Market Cap (as at 31 October 2023)	\$20.0m
Share price (as at 20 November 2023)	\$0.082
Shares on issue	221.5m

Top 5 Shareholders

Brian O'Sullivan	31.3%
Thorney Investment Group	11.2%
Candyblossom/Bloemhof P/L	9.9%
GFNA Bartley Family	8.1%
Forager Funds Management	6.5%



Key Messages & Actions

Mark Read



Core Principles – Business Improvement



Simplify, Protect the Core

- Verbrec has market leading capabilities to draw upon
- Management have acted with intent to limit distractions and re-focus the team on Verbrec's core competencies
- Improve operational efficiencies and deliver consistent project delivery standards for our clients
- Grow revenues from existing core competencies

Client Focus

- Reintroduction of Key Account Managers to ensure that we 'know our client' and meet consistent standards of excellence in the delivery of our products and services
- Leveraging client relationships by understanding their business drivers, pipeline of work and long-term opportunities
- Using our IP and bringing ideas and solutions to our clients

Organic Growth & Risk Mitigation

- 12 Key Clients generate over 40% of our Revenue
- Improve our organic growth, with existing clients, underpinned by
 - 42 Master Services Agreements (up 7 since last financial year)
 - 11 O&M Agreements (up 2 since last period)
- Avoid the mistakes of the past by implementing robust systems to avoid high risk, lump sum contracts
- Growing number of decarbonisation projects

Actions undertaken in last 6 months



What actions has VBC taken	Impact to the business:	Status	Impact to EBITDA
Sale of non-profitable Training business	Closure on non-profitable sites and Agreement signed for the sale of remaining non-profitable training sites and assets	Completed	\$2.0M p.a.
Review of Projects including High-Risk construction activities	Wound down the construction activities in the engineering business, reducing exposure and risk to downside	Completed	Up to \$1M
Reduced Overheads	To date a total of \$1.8M (FY24) has been reduced from overheads	Completed	\$1.8M p.a.
Legacy & One Off Issues	Resolved outstanding Site Services agreement, Completed legacy projects, continue to pursue recovery of outstanding fees.	In progress	
Total EBITDA impact			\$4.8M

Actions undertaken in last 6 months

What actions has VBC taken	Impact to the business:	Status
Review of StacksOn mining technology business	Strategic review of the business and next steps to grow the asset	Completed
Strengthen Client relationship program	Key Account Manager positions established for key clients	Completed
Operational Efficiencies	Leadership Changes, Streamlined structure, GM accountability	Completed
Introduced improved project management systems and procedures	Focused on review of all current projects and greater focus on the future project teams and processes	In progress
Gross Margin Improvements	Review of underlying rates on MSA contracts with focus on profitable work	In progress
Increase work winning skills and effectiveness	Reintroduced work winning workshops and proposal gating process	In progress
Grow existing high performing businesses	Focus on Asset Management, Infrastructure Services and Competency Training businesses and targeting strong growth over 24 months	In progress

First Quarter FY2024 Results

Mark Read



Q1 FY2024 Indicative EBITDA Margin



	FY2023 EBITDA Margin	Indicative Q1 FY2024 EBITDA Margin
Engineering	(3.2 %)	7.3 %
Training	(10.7 %)	12.6 % *

* Excludes divested training business

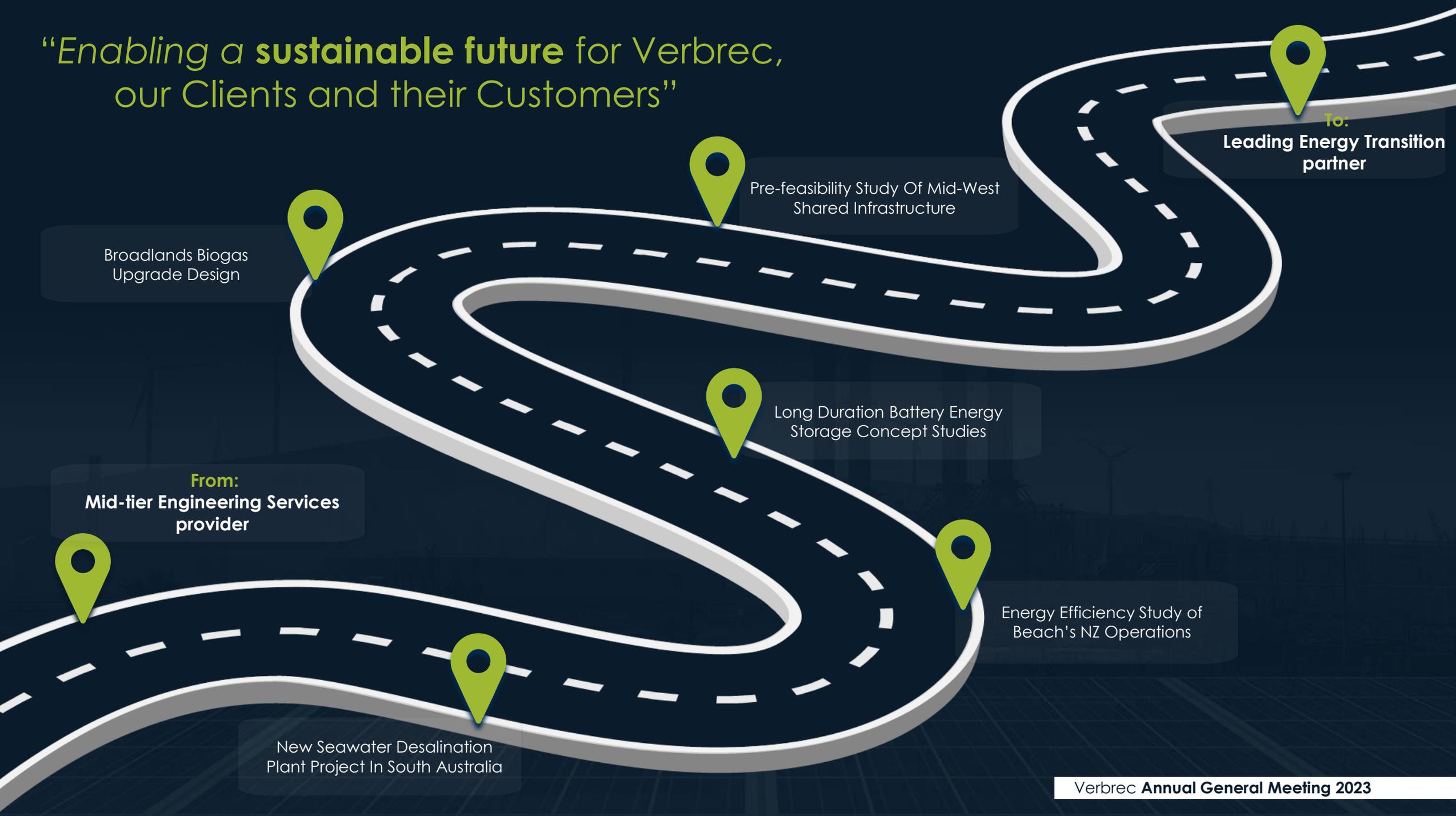
Note: The above table has been provided for information only. The figures are indicative values taken from Verbrec's Q1-FY2024 management accounts and are unaudited. Nothing in this table should be construed as earnings guidance for FY2024.

Strategic Initiatives & Growth Strategy

Mark Read



“Enabling a **sustainable future** for Verbrec, our Clients and their Customers”



Broadlands Biogas Upgrade Design

From:
Mid-tier Engineering Services provider

New Seawater Desalination Plant Project In South Australia

Pre-feasibility Study Of Mid-West Shared Infrastructure

Long Duration Battery Energy Storage Concept Studies

Energy Efficiency Study of Beach's NZ Operations

To:
Leading Energy Transition partner

The Changing Sustainable landscape

Electrification

- Need for Gas “firming” in renewables “rich” grid
- Transition to an electrically- driven economy with Biogas / Hydrogen support
- Continued growth in Renewables
- Strong growth in Batteries
- Growth in Transmission & Distribution
- Continued interconnection challenges

*Source: AEMO 2022 Integrated System Plan

Gas Market Transition

- Gas as a peaking fuel rather than a base load fuel
- Changing landscape for gas usage
- Role for Carbon Capture Utilisation and Storage “CCUS”
- Need for gas storage
- Differing Operating & Maintenance (“O&M”) approaches
- Changes to operations of current Gas system
- Biofuel / Hydrogen replacement/augmentation

*Source: DISR Future Gas Strategy consultation paper

Green Commodities

- Minimisation of Scope 3 emissions
- Higher grade commodities (magnetite) for “green” metals
- Driven by our Clients’ clients and Net Zero aspirations
- Greater grade control at mine and port
- Growing number of decarbonisation projects at mines
- Renewables with Gas support
- General sustainability focus including water sustainability
- Innovative product transportation

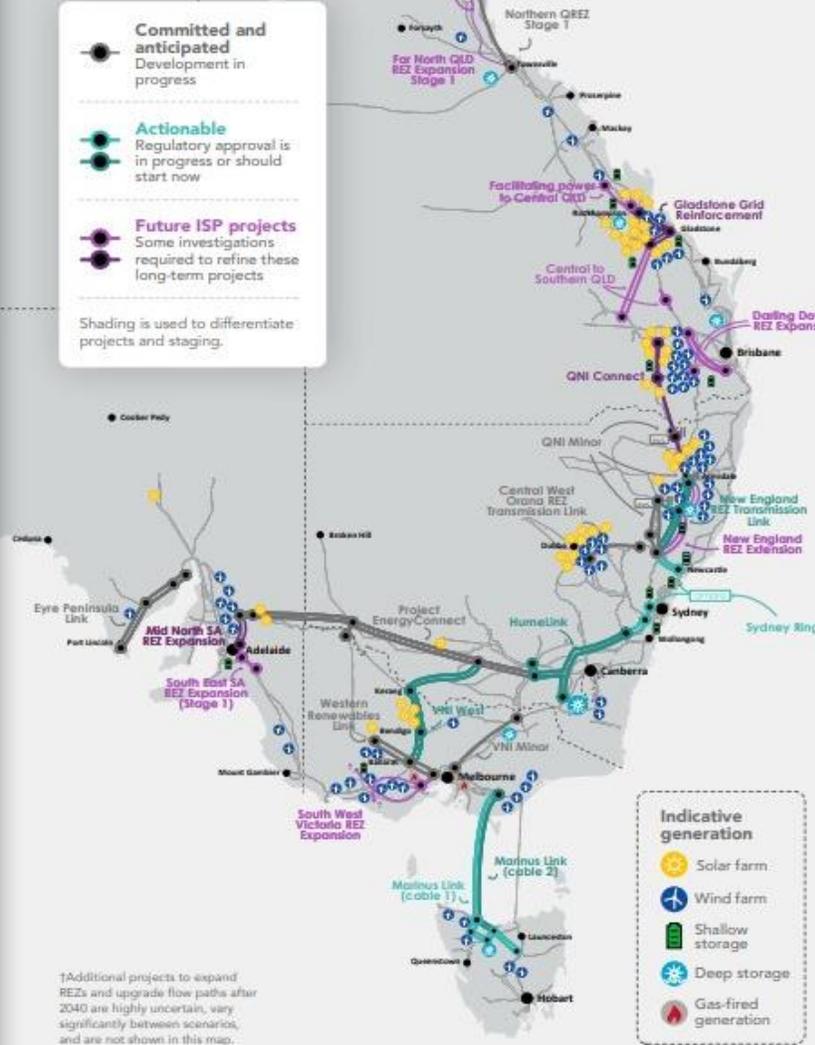
*Source: Eureka report – BHP Faces an Ore- Quality Challenge

2022 Integrated System Plan (ISP)

The Australian Energy Market Operator (AEMO) has published the 2022 ISP, a 30-year roadmap for essential and efficient investment in the National Electricity Market (NEM).

The 2022 ISP supports Australia's highly complex and rapid energy transformation, switching from higher-cost, high-emission energy to lower-cost renewable energy, doubling capacity to power transport and industry, and at all times providing consumers with reliable, secure and affordable power.

Network projects in the optimal development path



1 Consultation

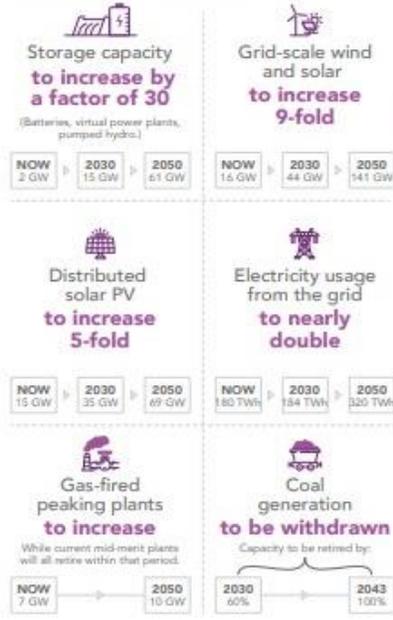
The 2022 ISP is based on rigorous economic and engineering analysis, and almost two years' in-depth stakeholder engagement with energy consumers and providers, State and the federal governments, and energy regulators and analysts.

- Over 1,500 individual stakeholders
- Discussions convened through 31 webinars and 39 reports
- Detailed feedback received through 198 submissions

2 Considerations

- Market reforms
- Government policies
- Economic growth
- Emission targets
- Grid technologies and services
- Consumer investment in DER

3 Expected energy transition to 2050 ('Step Change' scenario)



4 Optimal development path (ODP)

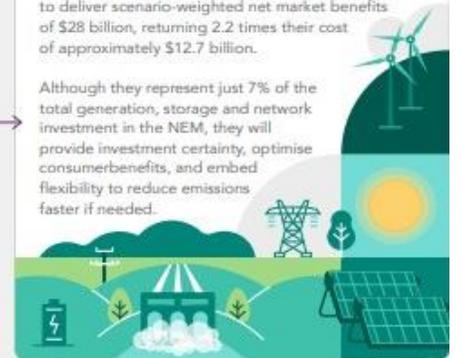
The ODP identifies five projects as immediately actionable which should progress as urgently as possible – HumeLink, VNI West, Marinus Link, Sydney Ring and New England REZ Transmission Link.

While delivery dates are as advised by project proponents, earlier delivery would provide valuable insurance for any faster transition or additional benefits to consumers. Supporting policies and mechanisms from the Commonwealth and jurisdictional governments may be able to assist in earlier delivery.

Net benefits

The transmission projects within the ODP are forecast to deliver scenario-weighted net market benefits of \$28 billion, returning 2.2 times their cost of approximately \$12.7 billion.

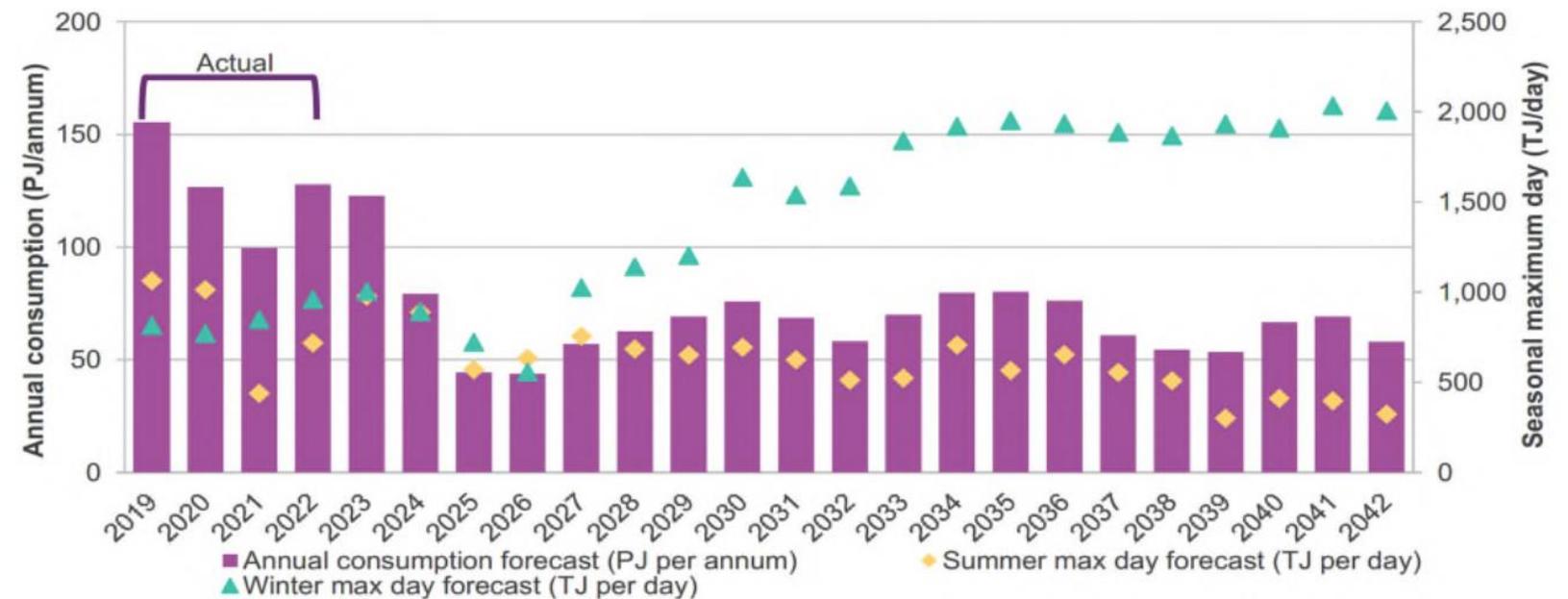
Although they represent just 7% of the total generation, storage and network investment in the NEM, they will provide investment certainty, optimise consumer benefits, and embed flexibility to reduce emissions faster if needed.



Gas Market Transition

“In Australia’s National Electricity Market (which does not include Western Australia or the Northern Territory) the system services gas generation provides are crucial. But its overall contribution to the energy mix is anticipated to decrease over the coming decades, in absolute terms and as a percentage of the total energy production. In contrast, peak gas generation is projected to rise, particularly during winter. This is because less direct sunlight and wind cause lower renewable energy generation (see Figure 3).”

Figure 3. Actual and forecast NEM gas generation annual consumption (petajoules/year) and seasonal daily demand (terajoule/day), orchestrated step change (1.8 °C) scenario, 2019-42⁹



Source: https://storage.googleapis.com/converlens-au-industry/industry/p/prj27dea2ada2e0dc2bc348a/public_assets/future-gas-strategy-consultationpaper.pdf

Growth – Engineering

Key Initiatives & Focus Areas

- Support of Key Clients with their Changing Sustainable landscape
- Transition to and electrical economy with Biogas / Hydrogen support
- Continued growth of renewables
- Gas as a peaking fuel rather than a base load fuel
- Need for gas storage
- Growing number of Decarbonisation projects at mines
- Innovative product transportation
- Greater grade control at mine and port

Pre-feasibility Study Of Mid-West Shared Infrastructure



Immediate Projects to Target

Gas Market Transition

- Engineer changes to Gas pipeline operations
- Engineer storage projects
- Grow Biogas and CCUS projects

Electrification

- Build battery profile / acquire greater capacity
- Invest in Wind / Hydro / Geothermal
- Invest / partner in connections modelling business
- Invest / Grow T&D advisory business

Green Commodities

- Control / Instrumentation / AI supply chain upgrade
- Decarbonisation projects at mines of Key clients
- Focus on Magnetite mines and their development and slurry pipeline solutions

Key Initiatives & Focus Areas

- Geographical expansion –
 - Strengthen and grow in QLD & WA
 - Establish and grow presence in NZ & NT & SA
- Full Time Business Development Resource in WA, SA, NT
- Development and Sale/Subscription of Software Solutions AIDE
- AM Industry Specialists - Infrastructure

**Unlocking higher value
from client's assets**

Immediate Projects to Target

Multiple opportunities – Major Clients

- Leverage off work being undertaken in QLD
- Continue to establish relationships with WA team
- Greater BD focus

Capital Planning and Maintenance Improvement

- Pilot project underway with key Client
- Proposals to be submitted for future work
- Ongoing engagement and positioning to support the Maintenance Improvement Project
- Potential support position upcoming

Master Data On-Line (MDO) Implementation

- Undertake demonstrations
- Development of track record

Growth – Infrastructure Services

Key Initiatives & Focus Areas

- The Infrastructure Services team is currently resource constrained
- Secured works are competing for the same resources
- Pipeline Operators & Project Engineers can be recruited but vehicles, equipment and tools are not readily available – Investment needed
- Long term contracts that generate x2 contract value in additional work across VBC businesses
- Market data

• Pipelines in Australia	33,777km
• Current Verbrec O&M	1,200km
• Current Targeted Opportunities	578km

Immediate Projects to Target

Additional O&M Contracts

- Verbrec designed and built key gas pipelines supplying key Australian Power Infrastructure
- Leverage off our existing Infrastructure Services pipeline contacts and our large engineering capability

Bi-directional Gas Pipeline Projects

- Pipelines we are already operating and maintaining
- Opportunities to increase the capacity to allow new producers to connect into the network

Growth – Competency Training

Key Initiatives & Focus Areas

Growth Initiatives

- IECEx Expansion (new partners, national and international markets, services)
- Geographic expansion into NZ & VIC
- Target renewables service delivery opportunities

Actions Required to Support Growth

- Dedicated Business Development Managers to capitalise on emerging opportunities
- Increase key client relationship efforts to enhance service and capability awareness
- Expand the training course schedule
- Currently CT offers 46 short courses, 4 Certificate IV courses and 9 eLearning courses -

Immediate Projects to Target

The growth of the IECEx Accreditation Program

- International accreditation (5 years) for electrical industry professionals (Hazardous Area workers)
- Market demand growing nationally and internationally (international partners)
- Linked to the delivery of CT's 5 Hazardous Areas courses
- 3rd Party delivery partners 'remote assessment centre facilitation & local accreditation'

Establish a permanent CT footprint in New Zealand & Melbourne

- Enabled to deliver Electrical Equipment Hazardous Areas (EEHA) in NZ every 6-8 weeks initially
- Re-establish a footprint in Melbourne
- Enabled to store equipment and deliver publicly scheduled EEHA & Hazardous Areas Classification & Design (HACD) courses



StacksOn™ is a 3D stockpile yard modelling application that enables the visual tracking of material and grades in near real time and in an intuitive way.

Visibility = profitability

StacksOn™ is in active use across a number of stockyards increasing throughput and reducing product variability



Real time 3D stockyard visualisations that track and predict grade



Predict and address **off-spec shipments** before they are filled



Intuitive tools help ensure delivery on specification

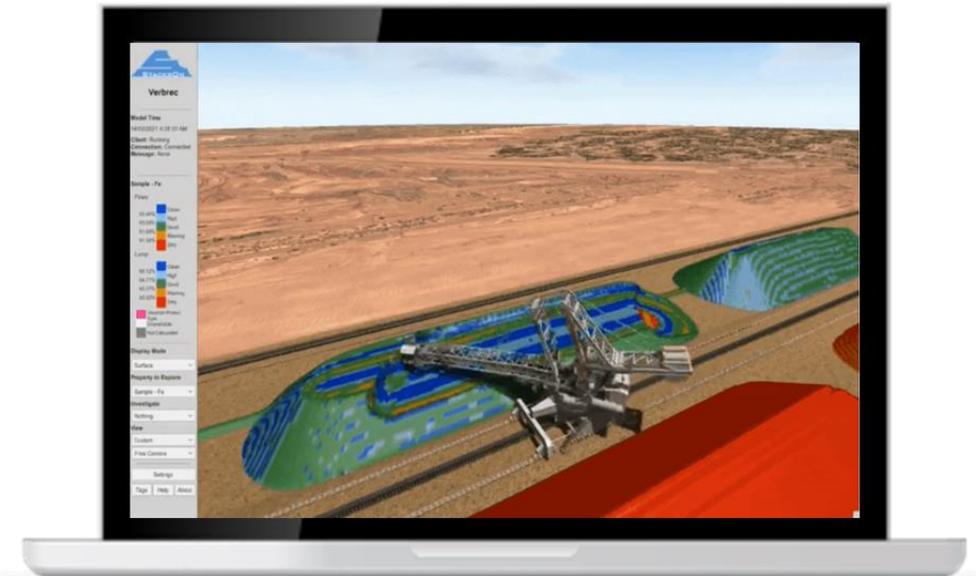


Designed and implemented for the **mining** industry

The StacksOn Difference

- StacksOn provides a solution for companies with stackers and reclaimers for their **Stockpile management** including mining and non-mining products both at Port and Mine/Facility
- The StacksOn solution is a pre-shipment stockpile management software product. It provides visibility in terms of grade and tonnes to **allow informed decisions** on reclaim strategies and management of product variability
- StacksOn **creates significant value** (tens of Millions of \$s) for mining companies by reducing variability and increasing tonnage through more effective and accurate planning
- StacksOn provides **more efficient and higher sales quality** specification for shipments of their products

Addressing a fundamental issue in an innovative way



For more information, please visit:
stackson.com

Key Initiatives & Focus Areas

Strong Iron Ore Client interest

- Current contract with BHP for 26 machines with potential to expand
- Current discussions entered into with 3 other major Iron Ore producers

Verbrec reviewing Cost structure and offering:

- License based on a rolling yearly or multi-year basis
- Implementation services
- Ongoing support contracts
- Multiple modules applicable

Future Targets

- StacksOn customers, include any companies with a bulk material quality management requirement. Domestically mining companies are primarily handling iron ore, coal and bauxite. Customers also include bulk management of wheat and barley
- In Australia in Iron Ore there are over 150 stackers and reclaimers
- There are 19 major ports, all of which could benefit from StacksOn
- When Agriculture, Cement, Coal, Power Generation and General Mining are included the number of stackers and reclaimers in Australia increases to approximately 1200
- Overseas opportunities are additional in a growing stacker reclaimer market

Client Feedback - StacksOn

Laura Tyler, BHP Chief Technical Officer, World Mining Congress 2023

“So our digital factories got to work and came up with the Product Variability program, which we’ve been using at West Australian Iron Ore.

The technology used a Grade Adjustment Model that uses data sources to capture movements of ore across the supply chain in real time to map the grade coming from the mine.

We then use an application called StacksOn to maintain a 3D model of material in the stockyard, so we know what to load when.

The program addresses a fundamental issue in an innovative way. It is materially adding value to our operations, and we’re rolling it out across other commodities.”



**26th World
Mining Congress**

BRISBANE AUSTRALIA

26-29 JUNE 2023

Summary

- Led by Mark Read an experienced Engineering Company CEO with a track record of building successful mid tier engineering firms (SKM, Sedgman)
- Initial review of operations post March 2023 CEO appointment has delivered a material reduction in operating expenditures (c. \$1.8m annualised) and divestment of non core training assets (c. \$2.0m annualised)
- An increasing focus on core capabilities and eliminating unprofitable and higher risk fixed price contracts (c. \$1m annualised savings) has delivered improved gross margin (+ 4.4% vs FY23) throughout 1Q FY24
- Verbrec adapting and growing to the changing sustainable landscape and targeting material growth in key high performing business units – AM, IS, CT whilst supporting growing interest in internal IP including mining services software (StacksOn)
- Restoration of dividends remains a fundamental objective, noting Australian tax losses total \$38.5m carried forward franking credits of \$5.7m (source: Financial Statements 30th June 2023)

Positioned to take advantage of growing markets alongside existing major clients



Business of the Meeting



Phillip Campbell



Resolution 1: Adoption of the Remuneration Report

Ordinary Resolution:

“That for the purposes of section 250R(2) of the Corporations Act, the remuneration report contained in the Director’s report for the year ended 30 June 2023 be adopted by the Company.”

Resolution 2: Re-election of Mr Matthew Morgan as a Director



Ordinary Resolution:

“That, for the purposes of Listing Rule 14.4 and 14.5, and clause 9.2 of the Company’s constitution, Mr Matthew Morgan, being a Director of the Company appointed as an addition to the Board, who retires by rotation, and being eligible, is re-elected as a Director of the Company.”

Resolution 3: Approval of the Verbrec Limited Rights Plan



Ordinary Resolution:

“That, for the purposes of Listing Rule 7.2, Exception 13, and for all other purposes, the Verbrec Limited Rights Plan (the Plan) and any grants of Rights (as defined in the Plan) issued under the Plan, be approved.”

Resolution 4: Increase of Placement Capacity



Ordinary Resolution:

“That, for the purposes of Listing Rule 7.1A, the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula in Listing Rule 7.1A.2, and on the terms and conditions in the Explanatory Statement, be approved.”

Q&A and Meeting Close

Phillip Campbell



