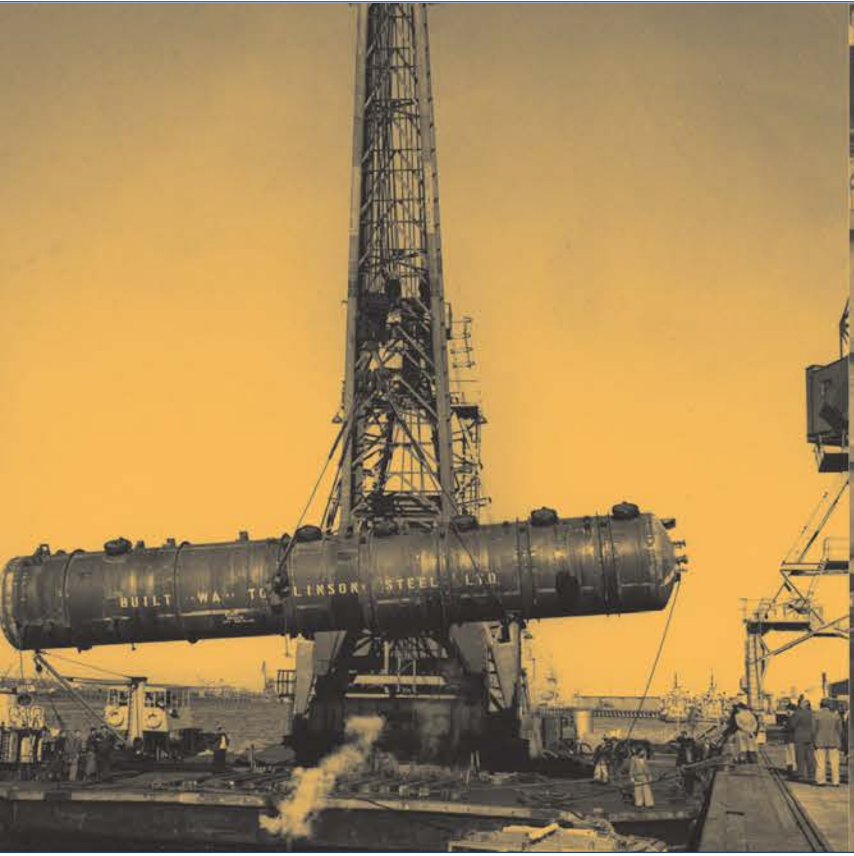
RCR Tomlinson Ltd
Project Update and Capital Raising

RCR

E.I. Engineering Intelligence



Investor Presentation

Chief Executive Officer | Mr Bruce James
Chief Financial Officer | Mr Andrew Phipps
Chief Operating Officer | Mr Conal McCullough
28 August 2018

120 1898-2018 YEARS

Important Information and Disclaimer

E.I. Engineering Intelligence

Important information

This investor presentation ("**Presentation**") has been prepared, authorised and issued by RCR Tomlinson Limited (ABN 81 008 898 486) ("**RCR**") in relation to a pro rata accelerated non-renounceable entitlement offer of new fully paid ordinary shares ("**New Shares**") in RCR to eligible institutional shareholders of RCR ("**Institutional Entitlement Offer**") and eligible retail shareholders of RCR ("**Retail Entitlement Offer**") (together, the "**Entitlement Offer**"). The Entitlement Offer will be made pursuant to a prospectus under section 713 of the *Corporations Act 2001* (Cth) ("**Corporations Act**") which is expected to be lodged with the Australian Securities and Investments Commission ("**ASIC**") on or about 28 August 2018 ("**Prospectus**").

Macquarie Capital (Australia) Limited (ABN 79 123 199 548) is the underwriter, lead manager and bookrunner to the Entitlement Offer ("**Underwriter**").

RCR and the Underwriter reserve the right to withdraw the Entitlement Offer or vary the timetable for the Entitlement Offer without notice.

Not an offer

This Presentation is for information purposes only and is not, and does not constitute, an invitation, solicitation, recommendation or offer of securities for subscription, purchase or sale in any jurisdiction.

This Presentation is not financial product advice, investment advice or any recommendation (nor tax, accounting or legal advice) nor is it a recommendation to acquire entitlements or New Shares and does not and will not form any part of any contract for the acquisition of entitlements or New Shares. This Presentation has been prepared without taking into account the objectives, financial position and needs of any investor. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek appropriate advice, including financial, legal and taxation advice appropriate to their jurisdiction. RCR is not licenced to provide financial product advice in respect of the New Shares. Any person who subscribes for New Shares under the Entitlement Offer will be taken to have subscribed under the Prospectus and not this Presentation. This Presentation is not a prospectus, product disclosure statement or other offering document under Australian law (and will not be lodged with the ASIC) or any other law. This Presentation should not be considered an offer or an invitation to acquire entitlements or New Shares or any other financial products. Eligible investors should have regard to the Prospectus when considering whether or not to acquire New Shares under the Entitlement Offer. Anyone who wishes to apply for New Shares under the Retail Entitlement Offer will need to apply in accordance with the instructions in the Prospectus and the entitlement and application form. The Retail Entitlement Offer will be made on the basis of information to be contained in the Prospectus to be prepared for eligible retail shareholders in Australia and New Zealand and made available following its lodgement with ASX.

Foreign jurisdiction restrictions

No action has been (or will be) taken to register New Shares or otherwise permit a public offering of New Shares in any jurisdiction outside of Australia and New Zealand.

The distribution of this Presentation, and the offer or sale of New Shares, may be restricted by law in certain jurisdictions. The distribution of this Presentation in Australia is restricted to persons who fall within the definition of "sophisticated investors" and "professional investors" (as those terms are defined in the Corporations Act). Persons who receive this Presentation outside Australia must inform themselves about and observe all such restrictions. Please refer to the section of this Presentation entitled "International Offer Restrictions" for the selling restrictions for your respective jurisdiction. Nothing in this Presentation is to be construed as authorising its distribution, or the offer or sale of New Shares, in any jurisdiction other than Australia to the extent this is not lawful and RCR does not accept any liability in that regard. Further, New Shares may not be offered or sold, directly or indirectly, and neither this Presentation nor any other offering material may be distributed or published, in any jurisdiction except under circumstances that will result in compliance with any applicable law or regulations.

This Presentation does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States and may not be distributed or released in the United States. The New Shares to be offered and sold under the Entitlement Offer set out in this Presentation have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("**Securities Act**"), or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, in the United States. This Presentation may not be distributed or released in the United States. The distribution of this Presentation in other jurisdictions outside Australia and New Zealand may also be restricted by law and any such restrictions should be observed. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. By accepting this Presentation you warrant and represent that you are entitled to receive such Presentation in accordance with the above restrictions and agree to be bound by the limitations therein.

Important Information and Disclaimer

E.I. Engineering Intelligence

Non-IFRS

Certain financial data included in, or incorporated by reference into, this Presentation are non-IFRS financial information Regulatory Guide 230 Disclosing non-IFRS financial information published by ASIC. Under Regulation G of the U.S. Securities Exchange Act of 1934, as these measures may include Net Debt, Revenue, EBITDA, EBITDA Margin, EBIT, EBIT Margin, Gross Margins, Working Capital, Order Book Value, Preferred Tender Value and Backlog. The disclosure of such non-IFRS financial measures in the manner included in this Presentation may not be permissible in a registration statement under the Securities Act. These non-IFRS financial measures do not have a standardised meaning prescribed by Australian Accounting Standards and therefore, may not be comparable to similarly titled measures presented by other entities and should not be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Although RCR believes these non-IFRS financial measures provide useful information to users in measuring the financial performance and condition of its business, investors are cautioned not to place undue reliance on any non-IFRS financial measures included in this Presentation.

Pro-forma financial information

This Presentation contains pro forma financial information showing the proposed application of the proceeds of the Entitlement Offer. The pro forma financial information provided is for illustrative purposes only and should not be relied upon as, and is not represented as being indicative of RCR's future financial condition and/or performance.

Summary information

The information contained in this Presentation including, without limitation, any statements, estimates, forward-looking statements or opinions (together, the "**Information**") contains summary information about the current activities of RCR and its subsidiaries and further, is general in nature and should not be considered to be comprehensive or to comprise all the information which a shareholder or potential investor in RCR may require in order to determine whether to deal in New Shares or otherwise participate in the Entitlement Offer, nor does it contain all the information which would be required in a prospectus, product disclosure statement or other offer document prepared in accordance with the Corporations Act. This Presentation does not take into account the financial situation, investment objectives or particular needs of any individual person and no Information contained in this Presentation constitutes investment, legal, accounting, financial, tax or other advice. Readers or recipients of this Presentation should, before making any decisions in relation to their investment or potential investment in RCR, consider the appropriateness of the Information having regard to their own objectives and financial situation and seek their own professional advice.

This Presentation should also be read in conjunction with RCR's other periodic and continuous disclosure announcements lodged with ASX which are available at www.asx.com.au including RCR's FY18 Audited Financial Report, which is expected to be lodged with the ASX on or about 28 August 2018.

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this Presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Presentation. All dollar values are in Australian dollars.

Investment risk

An investment in RCR is subject to known and unknown risks (including possible loss of income and principal invested), some of which are beyond the control of RCR. Neither RCR, the Underwriter, nor their respective related bodies corporate or affiliates, nor their respective directors, officers, partners employees and agents (together, the "**Beneficiaries**") guarantee any particular rate of return, repayment or the performance of an investment in RCR nor do they guarantee the repayment of capital from RCR or any particular tax treatment. Investors should have regard to the Key Business Risks section in this Presentation when making their investment decision. Cooling off rights do not apply to the acquisition of New Shares.

Important Information and Disclaimer

E.I. Engineering Intelligence

Disclaimer

Information in this Presentation may be subject to change without notice, does not purport to be complete or comprehensive and has been obtained from or based on sources believed by RCR to be reliable.

The Presentation contains certain "forward-looking statements". Forward-looking statements can generally be identified by the use of forward-looking words such as "expect", "anticipate", “likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", "target", "outlook", "guidance" and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, indications of, or guidance or outlook on, future earnings or financial position or performance of RCR the outcome and effects of the Entitlement Offer and the use of proceeds. To the extent that certain statements contained in this Presentation may constitute “forward-looking statements” or statements about “future matters”, the Information reflects RCR’s intent, belief or expectations as at the date of this Presentation. Any forward-looking statements, including projections, guidance on future revenues, earnings and estimates, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause RCR’s actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. A number of important factors could cause actual results or performance to differ materially from the forward-looking statements, including the risks set out in the Key Business Risks section of this Presentation. Investors should consider the forward-looking statements contained in this Presentation in light of those disclosures and not place reliance on such statements. Any forward-looking statements, opinions and estimates in this Presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. None of the Beneficiaries give any warranty, representation, assurance or guarantee that the occurrence of the events expressed or implied in any of the forward-looking statements in this Presentation will actually occur. In addition, please note that past performance should not be relied upon as (and is not) an indication or guarantee of future performance.

Except as required by law or regulation (including the ASX Listing Rules), RCR undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Indications of, guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

This Presentation do not purport to summarise all Information that an investor should consider when making an investment decision. To the maximum extent permitted by law, none of the Beneficiaries make any representation or warranty, express or implied, as to the currency, accuracy, adequacy, reasonableness, reliability or completeness of the Information or the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects or returns contained in, or implied by, the Information or any part of it and disclaim to the maximum extent permitted by law, all responsibility and liability for the Information (including, without limitation, liability for fault or negligence) for any direct or indirect loss or damage which may be suffered by any recipient through the use of or reliance on anything contained in or omitted from this Presentation. The Information includes information derived from third party sources that has not been independently verified. Subject to any obligations under applicable laws, regulations or securities exchange listing rules, RCR and the Underwriter disclaims any obligation or undertaking to release any updates or revisions to the Information to reflect any change in expectations or assumptions. Nothing contained in this Presentation or the announcement to which it is attached is or may be relied upon as a promise or representation whether as to the past or the future.

Neither the Underwriter, its related bodies corporate or affiliates nor any of their respective directors, officers, partners, employees and agents (together, the "**Underwriter Group**") have authorised, permitted or caused the issue, lodgement, submission, dispatch or provision of this Presentation. No member of the Underwriter Group nor RCR's advisers makes or purport to make any statement in this Presentation and there is no statement in this Presentation or the announcement to which it is attached which is based on any statement by any of them. Further, no member of the Underwriter Group accepts any fiduciary obligations to or relationship with any investor or potential investor in connection with the offer of New Shares, the Entitlement Offer or otherwise.

Determination of eligibility of investors for the purpose of the Entitlement Offer is determined by reference to a number of matters, including legal requirements and the discretion of RCR and the Underwriter. Each of the Beneficiaries disclaim any liability in respect of the exercise or otherwise of that discretion, to the maximum extent permitted by law.

To the maximum extent permitted by law, each of the Beneficiaries exclude and disclaim all liability, including, without limitation, the exercise or otherwise of for negligence or for any expenses, losses, damages or costs incurred by you as a result of your participation in the Entitlement Offer or the Information in this Presentation being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise. To the maximum extent permitted by law, no member of the Underwriter Group takes responsibility for any part of this Presentation or the Entitlement Offer nor do any of them make any recommendation as to whether you or your related parties should participate in the Entitlement Offer nor do they make any representations or warranties to you concerning the Entitlement Offer, and you represent, warrant and agree that you have not relied on any statements made by any member of the Underwriter Group in relation to the Entitlement Offer and you further expressly represent, warrant and agree that you are not in a fiduciary relationship with any of them.

Statements made in this Presentation are made only as at the date of this Presentation.

Executive summary

E.I. Engineering Intelligence

The Project Update	• Daydream and Hayman Solar Farm projects (‘**Project**’) experienced significant cost overruns due to several compounding project-specific issues at site resulting in cumulative write-downs of $57.0M (EBIT)[1] from tendered margin for the Project • Large proportion of the write-downs experienced were only recently identified due to the on-site procedures adopted by a limited number of site personnel, which had the effect of circumventing RCR’s processes and project level systems relating to procurement commitments

Outlook & Strategy	• RCR is re-positioning towards a more acceptable risk profile
	• Near term focus on:
	  ◦ Consolidating existing operations and successfully completing current projects
	  ◦ Increasing exposure to rail and transport sectors
	  ◦ Selectively pursuing renewables opportunities
	  ◦ Shifting towards ‘alliance style’ contracting models

Funding & Equity Raising	• RCR has announced a 1 for 1.65 pro-rata accelerated non-renounceable entitlement offer (‘**Entitlement Offer**’) at an offer price of $1.00 per new RCR share (‘**Offer Price**’) to raise $100M • RCR has secured an increase in its working capital facilities of $25M • Proceeds from Entitlement Offer and additional working capital facilities will strengthen the balance sheet and address financial impacts of the cost overruns at the Project

[1] Earnings before Interest and Tax. See RCR’s Audited Financial Report lodged in respect to FY18 for additional detail. This presentation may include a number of non-IFRS and non-GAAP financial measures including Net Debt, Revenue, EBITDA, EBITDA Margin, EBIT, Gross Margins, Working Capital, Order Book Value, Preferred Tender Value and Backlog. See “Important Information and Disclaimer – Non-IFRS and non-GAAP financial measure”.

RCR

ENGINEERING INTELLIGENCE.
That's what we do.

Update on the Project

Project overview

E.I. Engineering Intelligence

- The Project comprises two contracts managed as one project for the engineering, procurement and construction (‘**EPC**’) and operation and maintenance (‘**O&M**’) for the 150MWac Daydream Solar Farm and the 50MWac Hayman Solar Farm
  - Solar farm size of 590 hectares including 8,600 tracker rows
  - 110,000 piles driven
  - 2.2M modules installed
  - 1,900kms of cabling installed to date
- Contract value on award of $315M
- Scope of works includes engineering, procurement, construction and commissioning of the solar farms, including interface works to the project substations
- Construction commenced in September 2017 and is substantially complete
- Energisation and commissioning has commenced
- Once commissioned, RCR will provide O&M services for both solar farms for an initial period of 10 years, with an option for a further 5 year term

Project cost overruns

E.I. Engineering Intelligence

- The Project experienced significant cost overruns due to several compounding project-specific issues:
  - External delays which resulted in extension of time submissions
  - Materially worse sub-surface ground conditions which were not allowed for in the tender estimate, which caused an underestimation of site piling requirements
  - Continuous re-planning of construction due to the interdependence with piling, which was compounded by adverse weather conditions at the Project site, increasing subcontractor costs (both people and plant) and logistics costs

- As a result of the cost overruns that arose over the life of the Project, RCR has realised cumulative project write-downs of $57.0M (EBIT)[1] from the tendered margin

- A large proportion of the write-downs experienced were only recently identified. This was due to the on-site procedures adopted by a limited number of site personnel, which had the effect of circumventing RCR's standard processes and project level systems relating to procurement commitments ('**Procurement Controls**')

[1] Earnings before Interest and Tax. See RCR's Audited Financial Report lodged in respect to FY18 for additional detail.

Project investigations

E.I. Engineering Intelligence

- RCR has conducted a comprehensive internal investigation to determine the circumstances which led to the recent cost overruns at the Project, the failure to identify those costs in a more timely manner, the full extent of costs on the Project, and whether the Procurement Control issues had occurred on any other current projects
- Investigation consisted of analysis of project and financial data, data analysis and exception reporting from the ERP system, project personnel interviews, supplier statement confirmations, project manager confirmations and visits to certain solar project sites
- Key findings:
  - On-site procedures adopted by a limited number of site personnel at the Project had the effect of circumventing RCR's standard processes and project level systems relating to procurement commitments
  - Nature of conduct made it extremely difficult to accurately determine cost-to-date and forecast cost-to-complete on a timely basis
  - Procurement Control issues occurred during the recent peak execution period. Whilst the Procurement Control issues prevented the timely recognition of expenses in RCR's systems, the work done was essential to complete the Project
  - Focus on delivery of project milestones under time pressure led to insufficient focus on cost control
  - Challenges in maintaining appropriate project management oversight at the Project
  - No indication of fraud or collusion
  - The Procurement Control issues identified at the Project are not systemic within RCR
- As part of the FY18 group audit, and in response to the issues identified at the Project, additional procedures were conducted by Deloitte (Independent Auditor) in relation to the Project and RCR's cost management systems and procedures. Deloitte has issued an unqualified audit opinion in relation to RCR's FY18 result[1]
  - See Deloitte's audit report for a summary of the scope of Deloitte's audit procedures
- On request of its financiers, RCR has undertaken to commission an external review of the Project by an independent accounting firm

[1] Audit opinion includes an emphasis of matter because RCR recorded a loss of $16.1M for the year and other matters as set out in Section 1.3 ("Basis of Preparation") to RCR's FY18 Audited Financial Report around the Project and ongoing financing. The audit opinion is modified, but not qualified, in respect of this matter, which would be resolved by completion of the Entitlement Offer.

Response to Project issues

E.I. Engineering Intelligence

Changes to mitigate risk at the Project from now to completion	Changes to mitigate the risk of cost overruns on future projects	Changes to ensure processes and systems are followed consistently

• Strengthened project management team and structure, with immediate effect
  ◦ RCR's Renewables Operations Manager has taken over as Project Director
  ◦ Additional project controls and commercial staff mobilised to site
  ◦ Appropriate personnel changes have been made on the Project
  ◦ RCR's Procurement Controls have been reinforced, and are now being followed on the Project
• RCR has reassessed the remaining scope and sub-contracting models to mitigate risk
	• A Board Tender Committee has been established to perform a detailed review of management's recommendation on large and complex tenders
	• More comprehensive pre-contract assessment to be undertaken
	• Regular audit of cost control structures and additional training where required
	• Standardisation of engineering, design and construction methodologies, and commissioning practices
		• Project Controls Group reporting to the CEO established to review project set up, processes, contract management, schedule and costs
		• Interim manual controls to prevent circumvention of the procurement commitment systems
		• Enhanced monthly project reporting with a more detailed sign-off from project managers covering all key performance criteria

Impact of Project cost overruns

E.I. Engineering Intelligence

Financial Impact	Syndicated Facility Agreements	FY18 Audit Report	Operational Impact
• Underlying EBIT Loss of **$4.2M**, including cumulative write-downs of **$57.0M** from tendered margin on the Project[1] • **$35.0M** cash outflow in FY19 relating to Project cost overruns incurred in FY18[2]	• RCR believes it was in compliance with all financial covenants under its debt facilities as at 30 June 2018 • To avoid uncertainty around any potential covenant breach post release of the FY18 results, RCR's banking syndicate extended relief to RCR, confirming an add-back to EBITDA[3] for the purpose of calculating financial ratios up to and including 30 June 2019[4] • RCR has also secured an increase in its working capital facilities of $25M, which can be drawn for working capital purposes, with a corresponding reduction in the bank guarantee facility of $25M • Financier support is subject to completion of the Entitlement Offer	• Deloitte has issued an unqualified audit opinion in relation to RCR's FY18 Audited Financial Report • Audit opinion includes an emphasis of matter because RCR recorded a loss of $16.1M for the year and other matters as set out in RCR's FY18 Audited Financial Report around the Project and ongoing financing. The Audit opinion is modified, but not qualified, in respect of this matter, which would be resolved by completion of the Entitlement Offer and financier support announced today • The audit included additional procedures conducted in relation to RCR's project and cost management systems and procedures, in response to the issues identified at the Project	• RCR continues to have strong relationships with its customers • RCR has experienced some delay in the award of new contracts due to its voluntary suspension from trading on ASX • The Procurement Control issues identified at the Project are not systemic within RCR • The Project is expected to complete in line with current cost estimates

[1] Underlying EBIT (earnings) are derived from statutory profit/(loss) after excluding discontinued operations and non-recurring costs such as restructuring costs, legacy legal and claims costs, transaction costs and capital management initiatives. Underlying Earnings are a key financial indicator used to reflect greater understanding of RCR's underlying business performance. See RCR's FY18 Audited Financial Report for additional information.
[2] See section 5 of the prospectus for additional information.
[3] EBITDA, as defined in the Syndicated Facility Agreement.
[4] RCR can add back the lesser of $50M and the amount of the Project costs that is deducted from the consolidated net profit for the period ending on the relevant calculation date. This is without prejudice to any other adjustments to EBITDA permitted under the facilities.

RCR

ENGINEERING INTELLIGENCE.
That's what we do.

Strategic Focus

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

• Focus on consolidating existing operations and ensuring successful completion of current projects
  ◦ Order book: **$1.1B**
  ◦ Preferred: **$2.7B**
• Near-term opportunities will be carefully assessed with an increasing focus on:
  ◦ Well known counterparties
  ◦ Contracting structures that typically provide a higher degree of margin predictability
  ◦ More acceptable risk profile
	• Significant pipeline in rail and transport opportunities
	• Rail and transport sector projects typically provide higher degree of margin predictability
	  ◦ Increasingly undertaken pursuant to ‘alliance style’ contracting models
	• RCR is currently tendering major rail and tunnel projects across Australia and New Zealand
	  ◦ Preferred contractor on a number of rail opportunities
	  ◦ Short-listed on Sydney Metro Linewide
		• Strong pipeline of solar projects means RCR can be selective with regard to:
		  ◦ Counterparties
		  ◦ Project size
		  ◦ Project risk profile
		  ◦ Project margin

Structure of order book

E.I. Engineering Intelligence

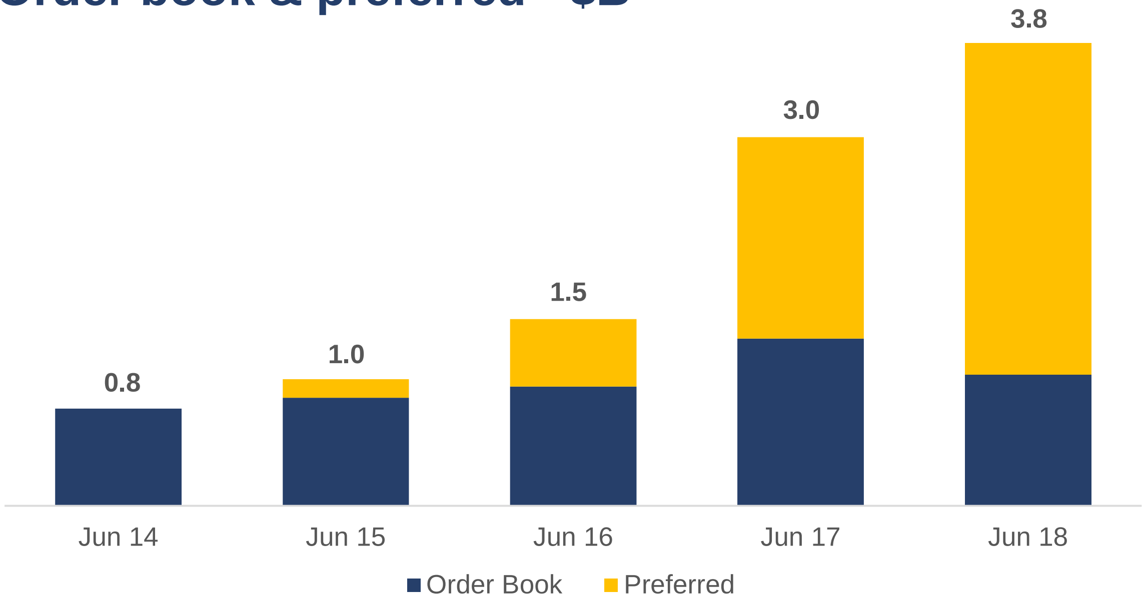
Order book recently contracted

- Order book remains strong, but RCR has experienced some short-term delays in award of projects from preferred contractor status
- Order book recently secured:
  - Department of Housing Victoria (additional region)
  - Fortescue Metals Group Overland Conveyer
  - Capital Works Panel (Melbourne Water / NSW Water)

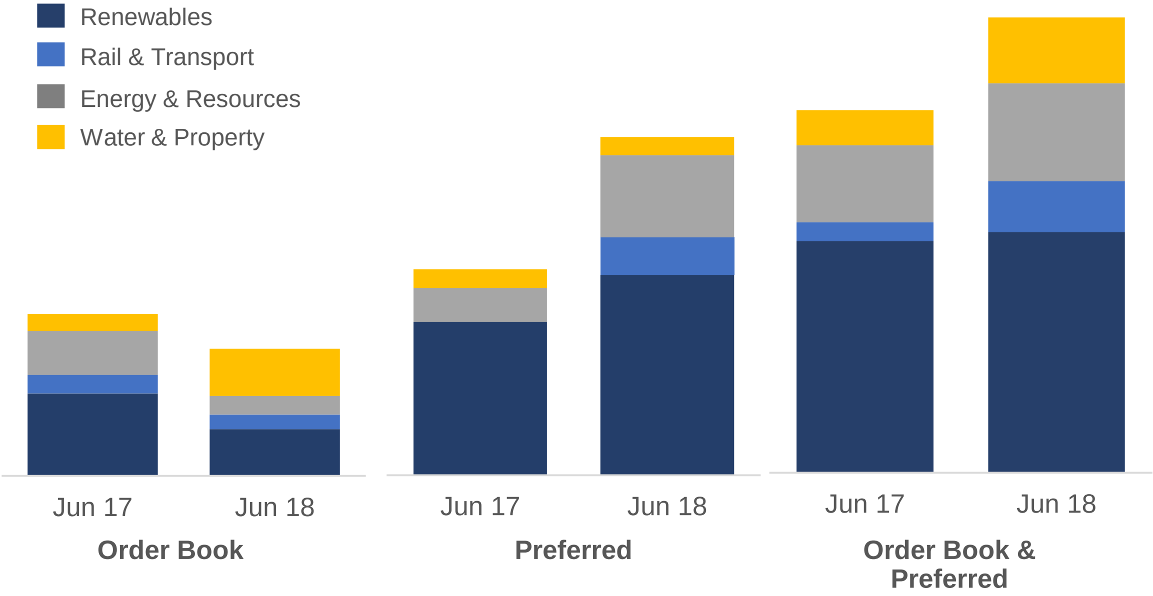
Near-term opportunities

- 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 - $B



Order book & preferred by sector - $B



‘Alliance style’ contract structures

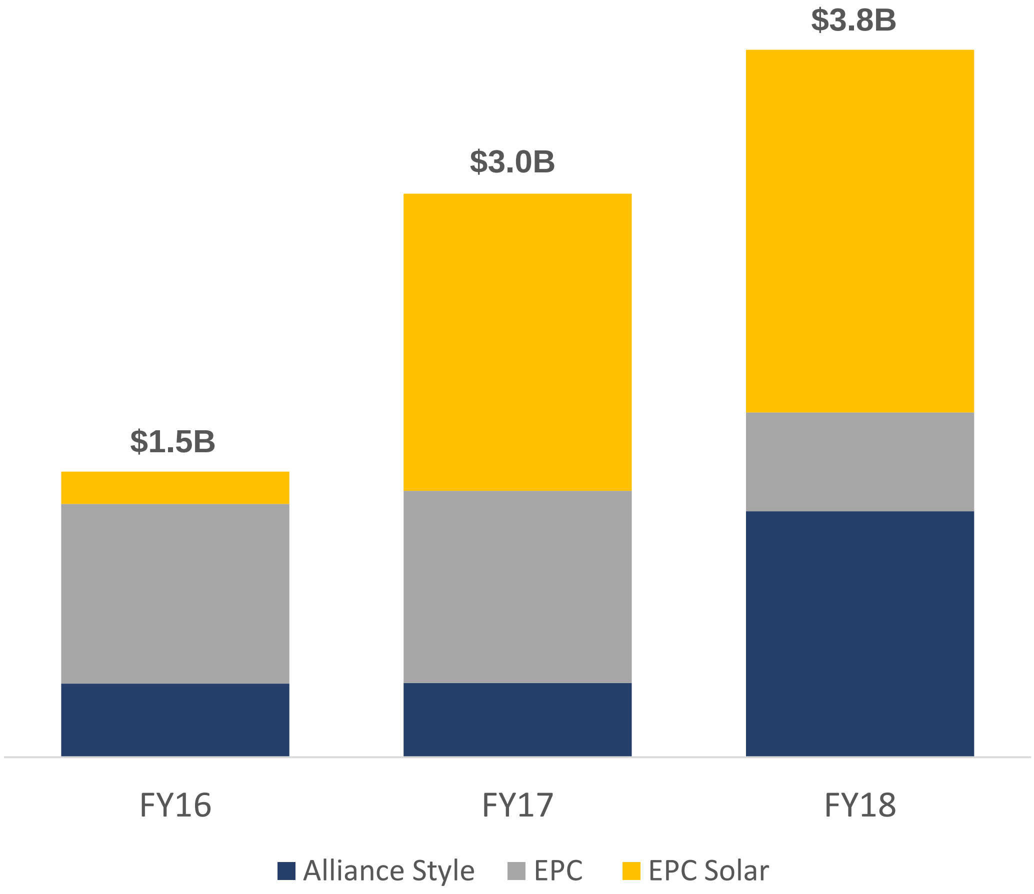
E.I. Engineering Intelligence

Overview

- Growth in solar projects drove a substantial increase in revenue through FY17 and FY18
  - Primarily fixed price EPC contracts
  - High working capital requirements due to milestone payment structures
  - Low initial working capital requirements due to ‘up-front’ payments

- Trend towards ‘alliance style’ contracting structures
  - Increasing demand for contracting services from clients across the transport, rail and resources sectors
  - More favourable market dynamics for contractors, particularly those with specialist design, engineering and construction expertise
  - Typically provide a higher degree of margin predictability but larger working capital requirements

Alliance style contracts (Order book & preferred)



RCR

ENGINEERING INTELLIGENCE.
That's what we do.

RCR Funding Strategy

Overview of funding arrangements

Overview of funding facilities[1]

- RCR reported total funding facilities of **$681.3M** as at 30 June 2018 including:
  - **$431.3M** syndicated facility agreement (term December 2019)
    - **$295.0M** bank guarantee facility
    - **$75.0M** working capital facility
    - **$36.3M** senior debt
    - **$25.0M** contingent instrument facility
  - **$250M** insurance bonding facility

- In addition to the above, RCR held cash of **$89.9M** as at 30 June 2018
  - The nature of RCR's business is such that there are large inter-month working capital requirements see slide 19 for further information

RCR's different types of funding

- RCR's total funding facilities includes three separate types of funding used for different purposes:
  - **$570.0M in contingent instrument facilities:**
    - Combination of insurance bonding, bank guarantee and contingent instrument facilities
    - Contingent instrument facilities are used to provide security against RCR's contractual performance
  - **$36.3M in senior debt**
    - Fully drawn and makes up 'core debt' within RCR's capital structure
    - Amortises at a rate of $5M per quarter
  - **$75.0M in working capital facilities**
    - Revolving credit facility
    - Combination of different working capital instruments including letters of credit, working capital and other facilities
    - Working capital facilities can be used for payments by RCR in the ordinary course of business

[1]See RCR's FY18 Audited Financial Report for additional information.

Contingent instruments and senior debt

E.I. Engineering Intelligence

Overview of contingent instrument facilities and senior debt

- Contingent instrument facilities are used to provide security against RCR's contractual performance
    - **Bank guarantee facility and insurance bonding facility:** guarantees provided to clients to support the performance obligations of RCR
    - **Contingent instrument facility:** provides letters of credit to international suppliers for the security of imported materials
- Senior debt is fully drawn 'core debt'
- Key members of RCR's banking syndicate have agreed to make an additional $25M of working capital facilities available under the Multi Option Facility Agreement ('**MOFA**') with a corresponding $25M reduction in the Bank Guarantee Facility[1]

$M (as at 30 June 2018)	Limit	Drawn	Available
Bank Guarantee Facility[1]	295.0	156.7	138.3
Insurance Bonding Facility	250.0	196.0	54.0
Contingent Instrument Facility[1]	25.0	21.7[1]	3.3
Total Contingent Instrument Facilities	**570.0**	**374.4**	**195.6**
Senior Debt	36.3	36.3	-
Total Senior Debt	36.3	36.3	-
Total Contingent Instruments and Senior Debt	**606.3**	**410.7**	**195.6**
Pro forma changes post Entitlement Offer[2]			
- Contingent Instrument Facility[1]	**(25.0)**	**(21.7)**	**(3.3)**
- Bank Guarantee Facility[1]	**(25.0)**	-	**(25.0)**
Total Contingent Instruments and Senior Debt post Entitlement Offer	**556.3**	**389.0**	**167.3**

[1]As at the date of this announcement, the $25M Contingent Instrument Facility has $25M un-drawn. Key members of RCR's banking syndicate have agreed to make this headroom available to draw as working capital under the MOFA, with a corresponding $25M reduction in the limit of the Bank Guarantee Facility.

[2] Pro forma changes shown do not reflect actual balance of funds drawn under the Contingent Instrument Facilities or Senior Debt as at the date of this announcement.

Liquidity available for working capital

E.I. Engineering Intelligence

Overview of cash and debt facilities available for working capital

- RCR funds working capital requirements via operating cash flow and a revolving working capital facility
- Cash and debt facilities available for working capital at 30 June 2018 will be impacted by post balance date expected cash outflows:
  - **$35.0M** relating to Project cost overruns that have been accrued but not yet been paid
  - **$30.0M** relating to cash received from customers for equipment in FY18, which will be paid to suppliers in FY19
- Working capital requirements have been increasing due to the ramp up of large solar EPC contracts
  - Average intra-month cash movement in recent months was ~$88M, with the largest being ~$120M
  - Working capital requirements expected to remain high as project portfolio shifts towards 'alliance style' contracting models

$M (as at 30 June 2018)	Limit	Drawn	Available
Working Capital Facility	75.0	2.0	73.0
Cash as at 30 June 2018	n/a	n/a	89.9
Available for working capital (30 Jun)	**75.0**	**2.0**	**162.9**
- Less known FY19 cash outflows	n/a	n/a	(65.0)
Available for working capital (post 30 Jun)	**75.0**	**2.0**	**97.9**
Pro forma changes Post Entitlement Offer[1]			
Net proceeds from the Entitlement Offer	n/a	n/a	89.0
Increase in working capital under MOFA	25.0	-	25.0
Available for working capital post Entitlement Offer	**100.0**	**2.0**	**211.9**

[1]Pro forma changes shown do not reflect actual balance of funds drawn under the Working Capital Facility or the MOFA, or RCR's cash balance, as at the date of this announcement.

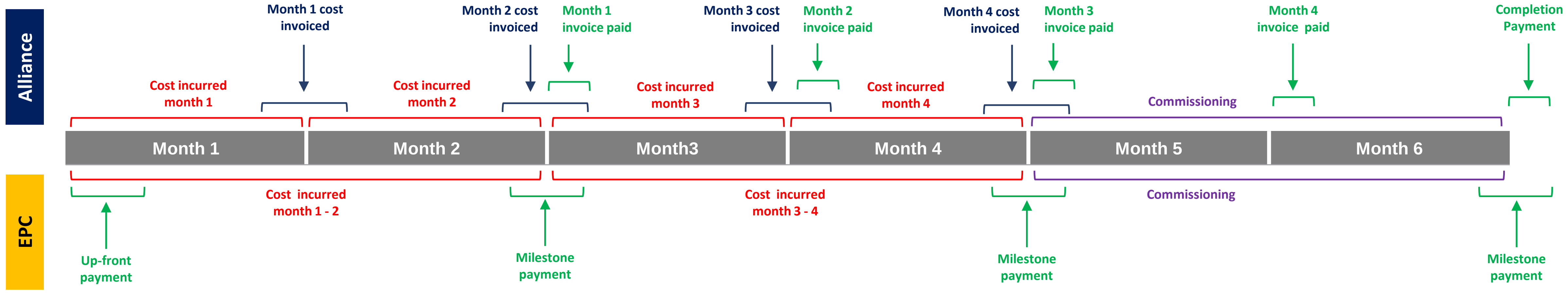
‘Alliance style’ contract structures

RCR
E.I. Engineering Intelligence

Overview of ‘alliance style’ contract structures

- ‘Alliance style’ contracts encompass a range of different contracting models (target cost estimates, cost plus, alliance)
- ‘Alliance style’ contracts typically provide a higher degree of margin predictability, but require more working capital, particularly at the start of the project
    - Usually no ‘up front’ or ‘advance’ payments for project costs
    - Payment typically occurs on 30 day terms
    - Payment received for cost incurred plus margin

Indicative comparison of cost cycle by contracting structure



RCR

ENGINEERING INTELLIGENCE.
That's what we do.

Equity Raising

Offer details

E.I. Engineering Intelligence

Offer structure	• 1 for 1.65 pro-rata accelerated non-renounceable entitlement offer (‘**Entitlement Offer’**) to raise approximately A$100 million • Approximately 100 million New Shares in RCR to be issued under the Entitlement Offer (representing approximately 60.6% of current issued capital)

Offer price	• Offer Price of A$1.00 per New Share, which represents a:
	  • 52.8% discount to the Theoretical Ex-Rights Price[1]
	  • 64.3% discount to last close price on the ASX of $2.80 on 27 July 2018

Institutional Entitlement Offer	• The Institutional Entitlement Offer will be conducted via a bookbuild between Tuesday 28 August 2018 and Wednesday 29 August 2018 • Entitlements not taken up under the Institutional Entitlement Offer and entitlements of ineligible institutional shareholders will be offered to new and existing eligible institutional investors in a bookbuild process managed by the Underwriter
Retail Entitlement Offer	• Retail Entitlement Offer will open to eligible retail shareholders of RCR on Monday 3 September 2018 and close on Wednesday 19 September 2018 • Retail entitlements not taken up by eligible retail shareholders and entitlements of ineligible retail shareholders will be placed to the Underwriter and any sub-underwriters on Wednesday 26 September 2018
Ranking	• New Shares issued under the Entitlement Offer will rank equally with existing ordinary shares in RCR from their time of issue
Record date	• Offer is open to eligible RCR shareholders on the register as at 7.00pm (Sydney, Australia time) on Thursday 30 August 2018
Underwriter	• The Offer is underwritten by Macquarie Capital (Australia) Limited

[1] TERP is the theoretical price at which RCR shares should trade immediately after the ex-date for the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which RCR shares trade on ASX immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to TERP. TERP is calculated by reference to RCR’s closing price on 27 July 2018.

Use of funds

E.I. Engineering Intelligence

RCR announces a $100M Entitlement Offer and $25M of additional working capital facilities

- Underwritten Entitlement Offer will enable RCR to avoid risk of breaching financial covenants under its syndicated facility agreement following release of its FY18 results
- Entitlement Offer and extension of working capital facilities will strengthen RCR's balance sheet and position the business for sustainable growth by:
  - Addressing the financial impacts of cost overruns at the Project
  - Supporting the delivery of 'alliance style' contracts, which typically have a higher degree of margin predictability, but require additional working capital
  - Enhancing RCR's ability to manage working capital requirements

Sources and uses of funds

Sources	$M
Equity raising	**$100**
Additional working capital facilities	**$25**
Total Sources	**$125**

Uses	$M
Replace cash related to cumulative Project write-downs	**$57**
Cash available for working capital	**$57**
- Support growth in 'alliance style' contract models	
- Enhance ability to manage working capital requirements	
Transaction costs	**$11**
Total Uses	**$125**

Indicative offer timetable

E.I. Engineering Intelligence

Event	Date
Announcement of Equity Raising	Tuesday 28 August 2018
Institutional Entitlement Offer opens	Tuesday 28 August 2018
Institutional Entitlement Offer closes	Wednesday 29 August 2018
Trading halt lifted	Thursday 30 August 2018
RCR shares re-commence trading on an ex-entitlement basis	Thursday 30 August 2018
Record date for the Entitlement Offer (7.00pm Sydney, Australia time)	Thursday 30 August 2018
Retail Entitlement Offer opens	Monday 03 September 2018
Settlement of Institutional Entitlement Offer	Tuesday 04 September 2018
Issue and normal trading of New Shares issued under the Institutional Entitlement Offer	Wednesday 05 September 2018
Retail Entitlement Offer closes (5.00pm Sydney, Australia time)	Wednesday 19 September 2018
Settlement of Retail Entitlement Offer	Tuesday 25 September 2018
Allotment of New Shares issued under the Retail Entitlement Offer	Wednesday 26 September 2018
Normal trading of New Shares issued under the Retail Entitlement Offer[1]	Thursday 27 September 2018
Despatch of holding statements in respect of New Shares issued under the Retail Entitlement Offer	Friday 28 September 2018

[1] An application will be made to ASX for quotation of the New Shares. The above timetable is indicative only and subject to change. RCR reserves the right to amend any or all of these events, dates and times subject to the *Corporations Act 2001 (Cth)*, ASX Listing Rules and other applicable laws.

Pro Forma Balance Sheet

E.I. Engineering Intelligence

Key Measures	Jun-18	Equity Raising Proceeds[1]	Equity Raising Costs[2]	Pro Forma Jun-18
Assets				
Cash and Cash Equivalents	89.9[3]	100.0	(11.0)	178.9
Property, Plant and Equipment	65.1			65.1
Trade and Other Receivables	490.1			490.1
Other Current Assets	32.5			32.5
Other Non-Current Assets	284.6		3.3	287.9
Total Assets	**962.2**	**100.0**	**(7.7)**	**1,054.5**
Liabilities				
Trade and Other Payables	465.5			465.5
Borrowings - Current	35.1			35.1
Other Current Liabilities	76.1			76.1
Borrowings - Non-Current	0.0			0.0
Other Non-Current Liabilities	4.5			4.5
Total Liabilities	**581.3**	**0.0**	**0.0**	**581.3**
Net Assets	**380.9**	**100.0**	**(7.7)**	**473.2**
Equity				
Issued Capital	225.2	100.0	(7.7)	317.5
Reserves	(1.6)			(1.6)
Retained Earnings	157.3			157.3
Total Equity	**380.9**	**100.0**	**(7.7)**	**473.2**

1 Based on the Entitlement Offer proceeds of $100 million.
2 Transaction costs associated with the Entitlement Offer and associated deferred tax asset.
3 Refer to slide 19 for average intra-month working capital movements.

ENGINEERING INTELLIGENCE.
That's what we do.

Key Risks

Key Business Risks

E.I. Engineering Intelligence

This section includes details of the key risks attaching to an investment in shares in RCR. These risks may affect the future strategy, operating and financial performance of RCR and the value of RCR shares. The key risks are not set out in any particular order. Before deciding whether to invest in New Shares, you should consider whether such an investment is suitable for you having regard to publicly available information (including this Prospectus), your personal circumstances and following consultation with a financial or other professional adviser. Additional risks and uncertainties that RCR is unaware of, or that it currently considers to be immaterial, may also become important factors that adversely affect RCR's strategy, operating and financial performance. You should note that the occurrence or consequences of some of the risks described in this section are partially or completely outside the control of RCR, its directors and senior management. Further, you should note that this section focuses on the potential key risks and does not purport to list every risk that RCR may have now or in the future. It is also important to note that there can be no guarantee that RCR will achieve its stated objectives or that any forward-looking statements or forecasts contained in this presentation will be realised or otherwise eventuate. All potential investors should satisfy themselves that they have a sufficient understanding of these matters, including the risks described in this section, and have regard to their own investment objectives, financial circumstances and taxation position.

This section contains an outline of the material business risks that may impact on the RCR Group achieving its strategic objectives, business operations and projects and should be read in conjunction with RCR's FY18 Financial Report, which is available at www.rcrtom.com.au.

RCR has defined five discrete business risk environments, being: strategic and business, operational, project, financial, regulatory and project risks. Project risks are evaluated as a potential barrier to delivering contracted scopes against cost, time and technical performance targets, while maintaining health, safety and environmental performance at acceptable levels. RCR's risk management framework sets the minimum required standard for project management in the delivery of major projects. Risks deemed unacceptable are transferred (through contractual arrangements or insurance), reduced by mitigation action or avoided.

There are also general risks associated with investing in an ASX listed company and some risks associated with the Entitlement Offer. Those risk are summarised below.

Key Business Risks (cont.)

E.I. Engineering Intelligence

Risk Category	Risk	Risk Description
Strategy and Business Risks	**Class Action Risk and Regulatory Risk**	Following the recent events at the Project, there is a risk of class action. A risk of a class action being threatened or instituted arises in circumstances where earnings fall short of market expectations or company guidance if a reduction in the share price results. RCR is not aware of any threat of a class action having been made at this point in time. There is a risk of regulatory action against RCR in these circumstances.
	Impact of Suspension of RCR shares	RCR shares have been in trading halt since 30 July 2018 and in voluntary suspension since 1 August 2018. It is possible that associated uncertainties will result in a loss of confidence in RCR, including by existing and future RCR customers, suppliers and partners. Such loss of confidence by customers would negatively impacting RCR's ability to convert Preferred Contractor Status into future revenue, to secure new customers and contracts, maintain business relationships and overall profitability. Further, the suspension and any resulting loss of confidence may cause damage to RCR's reputation and brand, the potential consequence of such are set out below. There is a risk that the uncertainty around the suspension will also have led to a loss of confidence from employees resulting in departures of key personnel and a hindrance on future recruitment of employees.
	Failure of Systems and Process	There can be no assurance that internal control systems and procedures will not result in, or lead to, a future material weakness or loss of accreditations, including a failure of systems to ensure effective control of costs across projects and operations. Failure to maintain proper and effective internal controls may adversely impact RCR. Whilst RCR has systems and policies and processes in place to manage general personnel risk (including ensuring that all employees are aware of those policies and procedures), RCR cannot guarantee that an individual will not engage in conduct contrary to RCR's internal controls, system, business rules, policies and procedures or the law (including fraudulent activity). Any such action could adversely affect RCR's ability to meet current commitments, deliver projects and have an adverse impact on RCR and its brand.
	Potential for cost overruns on projects	There is a risk that additional cost overruns occur across one or more of RCR's projects which, may have an impact on RCR's future financial performance. In addition to potentially impacting RCR's financial performance, additional cost overruns may result in an inability to procure future contracts and maintain existing contracts. Further, future cost overruns have the potential to be costly and damaging to RCR's reputation and business relationships, which in turn could have an adverse effect on RCR, including its operating and financial performance, industry standing and the value of RCR shares.

Key Business Risks (cont.)

E.I. Engineering Intelligence

Risk Category	Risk	Risk Description
	Risk of adverse findings from independent review of the Project	RCR has undertaken to commission an independent review of the Project, to be undertaken by one of the big four accounting firms (excluding the Independent Auditor). Adverse findings from the independent review may impact RCR's future financial performance and have the potential to be costly and damaging to RCR's reputation and business relationships, which in turn could have an adverse effect on RCR, including its operating and financial performance, industry standing and the value of RCR shares.
	Ineffective Execution of Strategy	The execution of RCR's strategy requires a degree of risk-taking. In particular, the success achieved by individual contracts may not translate to profitable returns for RCR (and RCR's shareholders, in turn) for various reasons, including lower than expected margins. In such a case, the execution risk of that project may not be commensurate with the profit returned. Any inability to achieve organic growth or to execute acquisition growth strategies may have an adverse impact on share price, shareholder sentiment and the long-term sustainability of the business.
	Inability to maintain a strong Balance Sheet to support strategy	Capital for the business is a fundamental requirement to achieve business objectives and to meet financial obligations when they fall due. The inability to maintain a strong balance sheet or to secure new capital or credit facilities (in the form of cash advance, overdraft, guarantee and bonding facilities) could impact RCR's opportunity to bid for work, make investments or meet its ongoing liquidity needs. The perception of a strong balance sheet is equally important to retaining the confidence of external counterparties and maintaining commercial terms as well as winning new work. A loss of confidence in RCR's balance sheet may impact RCR's future financial performance and has the potential to be costly and damaging to RCR's reputation and business relationships, which in turn could have an adverse effect on RCR, including its operating and financial performance, industry standing and the value of RCR shares.
	Working capital requirements	Due to the nature of RCR's business, and operations, RCR has significant working capital requirements, which is expected to continue into the future. Relevantly, RCR's revised operating strategy includes a shift towards 'alliance style' contracting. This type of arrangement requires a larger amount of working capital than is required under EPC style arrangements. Furthermore, due to the nature RCR's business, specifically in respect to the receipt of milestone payments under project contracts, it is possible that RCR may be unable to accurately predict working capital requirements in the future. If this is the case, RCR may require additional funding to address those working capital requirements.

Key Business Risks (cont.)

E.I. Engineering Intelligence

Risk Category	Risk	Risk Description
	Reducing Demand for Services and Products	The markets for RCR's goods and services are exposed to: • the capacity of the State and Federal Governments and private industry capacity to invest in infrastructure, energy, resources and other projects, with consequent changes in spending and demand for RCR's services and products; • major project delays or cancellations (amongst others), which may decrease the demand for RCR's goods and services; • unpredictable and cyclical commodity prices, the economic activity of its customers and general economic conditions affecting customers' ability to fund capital and operational expenditure; and • saturation of competitors in the market leading to shifts in competitive dynamics when trying to secure future work. These variables are determined by domestic and global factors outside the control of RCR and have the potential to adversely impact RCR's operating and financial performance. They may affect the shape and size of RCR's future Order Book, the potential profit margins at which any future work is won, and the availability of 'alliance style' contracts in the future (being an aspect of RCR's operating strategy going forward).
	Lack of Diversification of Revenue	RCR seeks to diversify its revenues across a broad range of sectors in an effort to address some of the risks described in this table, and to target growth opportunities in existing and new sectors and across geographical regions. Nevertheless, demand for RCR's goods and services can be cyclical, concentrated and may sometimes vary markedly over relatively short periods due to a broad range of factors, including the timing or failure to obtain contracts, delays in awards of contracts, cancelations of contracts, changes in market conditions, and increased competition. Accordingly, any change to the markets in which RCR operates could adversely impact RCR's financial performance.
	Renewable Energy Market Concentration Risk	RCR is exposed to a range of risks and opportunities associated with engineering, procurement and construction ("**EPC**") of large-scale solar projects. This is a sector for RCR which is experiencing growth exposing RCR to a range of risks and opportunities including energy regulations and standards, commissioning, capital investment, increased competition and a range of associated engineering, procurement and construction ("**EPC**") activity risks. RCR's current Order Book and Preferred Contractor Status (and therefore future revenues and earnings) are weighted towards EPC contracts for large-scale solar farms. Any adverse changes in the solar industry may have a significant impact on RCR.

Key Business Risks (cont.)

E.I. Engineering Intelligence

Risk Category	Risk	Risk Description
	Risk that RCR is not successful in securing alliance style contracts	Under the leadership of RCR's newly appointed Interim CEO, RCR is re-positioning towards a lower risk operating strategy. To achieve this, RCR's near-term strategic objective includes a shift in the project portfolio towards 'alliance style' contracting model, which provide a higher degree of earnings predictability. They do however require a higher commitment of up front working capital. There is a risk that RCR does not successfully secure new alliance style contracts which may impact RCR's Order Book and Preferred Contractor Status going forward. This may negatively impact RCR's future financial performance and have the potential to be costly and damaging to RCR's reputation and business relationships, which in turn could have an adverse effect on RCR, including its operating and financial performance, industry standing and the value of RCR shares.
	Adequacy of Insurance	While RCR believes it manages its risk by transferring risk deemed unacceptable by way of insurance, it is not insured against all foreseeable risks. It is also not guaranteed that insurance will continue to be available on commercially acceptable terms and conditions or at a commercially acceptable cost. If an event occurs that is not covered by insurance or exceeds the insurable limits, it may have a material adverse impact on RCR's future financial performance and position.
	Damage or Dilution to RCR's Reputation or Brands	RCR relies on the strength of its reputation to help win and retain work, attract and retain employees, secure lines of credit and gain access to capital. Reputational damage could arise due to any number of circumstances including inadequate service delivery, failure of joint contractors or joint venture partners, conflicts of interest, failing to deliver on a customer's desired outcomes or the mere perception of the existence of any of these circumstances. Any damage to RCR's reputation, brands and business relationships could have an adverse effect on its business, including its operating and financial performance, industry standing and the value of RCR shares. There is also a potential risk that the recent cost overruns and procurement control issues experienced at the Project may have a negative impact on the RCR brand, would could impact its ability to win new work, including 'alliance style' contracts.
	Technology Disruption to RCR's Business	Innovation is a core element of RCR's focus and strategy. The introduction of new technologies or any failure by RCR to deliver innovative solutions to its customers may impact future revenue streams and result in a loss of market share.

Key Business Risks (cont.)

E.I. Engineering Intelligence

Risk Category	Risk	Risk Description
Financial Risks	**Reduced Access to Funding - Liquidity, Financing and Bonding**	RCR funds part of its operations with debt and relies on continued profitability and business cash flows to meet financial covenants and to service the interest on such debt. Further, RCR relies on available cash or equity or debt funding, to refinance its debt. RCR has performance bonding facilities under which several insurance bond providers provide bonds for projects in the ordinary course of RCR's business. The facilities are uncommitted and, as a result, RCR has no certainty that the issuer will provide the bonds as requested. Further, the performance bonding facilities are subject to renewal on an annual basis. RCR has a credit facility agreement which expires in December 2019. RCR's ability to comply with the terms of the facility, refinance its debt on maturity and renew or replace its performance bond facilities will depend on a number of factors including past performance (if forecasts are achieved), general economic, political, capital and credit market conditions. Any inability by RCR to raise additional funds as required, or refinance existing borrowings or replace bond facilities from time to time, on commercially acceptable terms, could adversely affect RCR's financial position, financial performance, its ability to remain within targeted levels of gearing and its ability to issue bonds in the ordinary course of its business. RCR also carries a breach of covenant risk, under Banking Facilities, if cash flows and profitability forecasts are not achieved, including if the Entitlement Offer does not proceed as expected.
	Other Financial Risks	RCR is subject to other financial risks including market risk, credit risk, foreign exchange rate risk, interest rate risk, and liquidity risks which are set out in Section 5.3 Financial Risks Management in RCR's 2018 Financial Report.
Operational Risks	**Order Intake, Order Book, and Preferred Contractor Status**	RCR's Order Book and backlog comprise certain estimates and vary from time to time due to the impact of project delays or cancellations. The Order Book also includes amounts expected or anticipated under contracts, current work programs, maintenance arrangements and framework arrangements. The Order Book includes amounts which cover multiple financial periods. Accordingly, RCR's Order Book at any particular date remains subject to change and is therefore an uncertain indicator of future revenue and earnings. Significant delays to contract award dates anticipated in the Order Book may adversely impact RCR's liquidity. Where RCR refers to Preferred Contractor Status, RCR cannot guarantee that this status will convert to a contract and is therefore an uncertain indicator of future earnings.

Key Business Risks (cont.)

E.I. Engineering Intelligence

Risk Category	Risk	Risk Description
	Human Capital	The ability of RCR to effectively execute its strategic and operational objectives and projects, depends on the efforts and contributions of a number of key personnel and the skills and experience of its people. The loss of critical skills, business knowledge, experience and relationships, which may occur due to the unplanned departure of the Chairman, CEO, CFO and other key management and project management personnel where an appropriate replacement has not been appointed could adversely impact RCR's ability to bid and win new work, meet current commitments, deliver projects and grow the business as planned. In addition, any challenges in relation to RCR's ability to procure or retain appropriately experienced site staff, management and other key personnel may also impact RCR's ability to execute its strategic and operational objectives and projects. Further, the ability of RCR to successfully deliver client projects is dependent on the effective execution and management of that project from start to finish by the project management team. Whilst RCR has systems in place to actively monitor ongoing projects and the activities of the project management team (including monthly project control meetings with senior management), the effectiveness of those controls is dependent on the information provided by the project management team.
	Intellectual Capital Risk	RCR's business is dependent on corporate memory and know-how developed by RCR's engineering, design, construction and manufacturing processes and its various Licencing Agreements. Any failure to maintain this know-how and RCR's core processes or any loss of licences may have an adverse impact on RCR.
	Information Technology and Cyber Security	RCR's business is dependent on the efficient operation of information technology systems to support its operations. Any failure or breach of data and IT security could result in business interruption, the loss of clients or contracts, damaged reputation and a weakening of its competitive market position, particularly where restorative / substitute technology systems are not available on acceptable terms. Furthermore, cyber-attacks on RCR may lead to the distribution of sensitive business information (or client information), damage RCR's business prospects and reputation and potentially cause RCR to breach relevant privacy laws.
	Foreign Operations and Sovereign Risk	RCR operates in countries outside of Australia including New Zealand, Malaysia, Indonesia, Vietnam, and the Pacific. Changes to current political, general economic or social conditions in these locations, (including any changes brought about by revised laws, judicial or administrative policies or outbreaks of civil war, periods of civil unrest or acts of terrorism) may adversely impact RCR's ability to effectively deliver project and operational services. This, in turn, may have an adverse effect on RCR's operating and financial performance. There is also a risk that the actions of a government, third party or any other unforeseen events in any of these countries may adversely affect RCR.

Key Business Risks (cont.)

E.I. Engineering Intelligence

Risk Category	Risk	Risk Description
Project Risks	**EPC Risks**	RCR's ability to achieve its operating and financial performance objectives is influenced by its ability to complete complex projects to the satisfaction of its customers. The execution and delivery of projects or supply of RCR proprietary equipment involves professional judgment regarding the design, planning, construction, commissioning and operation of complex operating facilities and equipment. Projects may occur over extended time periods and may be impacted or delayed due to procurement, engineering design changes, construction, commissioning, adverse weather, physical environment, supplier events, performance of sub-contractors and joint venture partners, regulatory requirements, employment practices and a wide variety of other circumstances. Projects and operations, cash flows and liquidity could be adversely affected if RCR miscalculates the resources, cost or time needed to complete a project, fails to meet contractual obligations, encounters delays due to varying conditions or if a supplier fails to deliver project materials on time. In addition, some projects require payment of liquidated damages if RCR does not meet project deadlines or other contractual obligations.
	Defect risks	RCR's ability to achieve its operating and financial performance objectives is also influenced by its ability to complete projects and its delivery on its contracts free of defects. There is a risk that defects in the engineering, design, construction or overall performance of the Project or other projects may be costly and damaging to RCR's reputation and business relationships, which in turn could have an adverse effect on RCR, including its operating and financial performance, industry standing and the value of RCR shares. Further, RCR's ability to procure new contracts or maintain existing contracts may also be adversely impacted.
	Tender estimates	RCR utilises extensive skills and expertise when pricing for fixed price contracts and uses all reasonable efforts to ensure that those tenders accurately reflect the scope of work. There is a risk that the tender estimate is not reflective of the actual position such that RCR suffers a financial loss.
	Geotechnical Risks	Geotechnical conditions substantially different from those anticipated, may impact RCR's ability to deliver projects as originally envisaged, impacting project timeline and financial performance.

Key Business Risks (cont.)

E.I. Engineering Intelligence

Risk Category	Risk	Risk Description
	Client Risk and Contract Risk	RCR's businesses rely on the ability to secure new customers, new contracts and maintain business relationships. There is a risk that RCR's customers may terminate their contracts with RCR if they have termination rights, not renew those contracts upon expiry, or seek to renew those contracts on less favourable terms. This may have an adverse effect on RCR's business, including its operating and financial performance, industry standing and the value of RCR shares. In addition, there is a risk that RCR's customers may be late or default on their contractual obligations including payment default or delays, or fail to assess or not agree to RCR's contractual claims and variations in a timely manner. This risk should be read in conjunction with the Financial Statements, specifically Section 4.1 (Trade and other Receivables) in RCR's 2018 Audited Financial Statements. Further, there may be delays outside the control of RCR that may impact on RCR's financial performance.
	Actual and Potential Disputes	Due to the contractual nature of RCR's business, RCR is currently and may in the future be subject to claims, disputes or proceedings or bring claims, disputes or proceedings against counterparties, each in the ordinary course of business. These could be costly and damaging to RCR's reputation and business relationships, which in turn could have an adverse effect on RCR, including its operating and financial performance, industry standing and the value of RCR shares. Further, there is a current and future risk that certain persons who have a claim against RCR may threaten to exercise or exercise rights to call on any security provided by or on behalf of RCR. If : • the security called was issued under a performance bonding facility or the credit facility, the issuer of the bond would have a right to immediately call on RCR to reimburse them for the amount paid on the bond; and • there was a threat to call on the security issued under a performance bonding facility, the relevant insurance bond provider would have rights to call for cash cover. Depending on the materiality of the call, it may have a significant and adverse impact on RCR's working capital position and its ongoing liquidity. The Directors are of the opinion that adequate allowance has been made for these actual and potential disputes in RCR's accounts and that disclosure of any further information about actual or potential claims, disputes or proceedings would be prejudicial to the interests of RCR.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

Key Business Risks (cont.)

Risk Category	Risk	Risk Description
	Contingency and Impairment	Project receivables are subject to the outcome of certain claims which have been made by, or against, RCR and RCR controlled entities. These claims arise out of contracts in the ordinary course of business. Estimates are regularly made in relation to claims and variation positions, and Management assesses the likelihood of recovery prior to recognising any receivable amount in the Financial Statements in accordance with accounting standards. This opinion is based on an assessment of present economic and operating conditions and on a number of best estimate assumptions regarding future events and actions that are expected to take place. It is possible that such analysis, and the best estimate assumptions made by RCR, draw conclusions and forecasts which are inaccurate or which may not be realised in due course. If this is the case, the actual amount recoverable by RCR may be less than the carrying value of its receivables, which may have an adverse impact of RCR's financial performance and the value of RCR shares. In relative terms, there has been a significant increase in the size of claims not yet recovered.
	Contingent Liabilities	RCR may be required to fund payments under bank guarantees, bonds and letters of credit issued in relation to its projects and contracts. There is a risk that such instruments may cease to be available on commercially acceptable terms. In addition, RCR is, from time to time, required to give advance payment guarantees, performance guarantees and indemnities. There is a risk that the securities provided by RCR are called upon.
	Fixed Price and Schedule of Rates Contracts	Fixed price or schedule of rates contracts exist in RCR's business. Such contracts may not be profitable where the cost of performing RCR's obligations under the contract exceeds the agreed fixed price or rates.
	Partners Joint Ventures and Counterparties	Some parts of RCR's operations are subject to key partners, joint venture partners, suppliers and other counterparties continuing to perform and manage their obligations to an acceptable standard. Any failure to perform or mismanagement by such a third party may adversely affect RCR particularly if the relationship with the third party deteriorates.
Regulatory Risks	**Injury, Safety, or Environmental Incident**	RCR's businesses are subject to Occupational Health and Safety ("OH&S") and Environmental regulations, which impose certain responsibilities on RCR and its Officers. RCR's industry involves a high degree of operational risk and whilst RCR believes it takes reasonable precautions to manage the OH&S and environmental risks, there can be no assurance that RCR will avoid significant costs, liability and penalties or criminal prosecution.

Key Business Risks (cont.)

E.I. Engineering Intelligence

Risk Category	Risk	Risk Description
	Non-compliance with Applicable Laws, Regulations and Standards, Industrial Relations Agreements	Any non-compliance by RCR, its employees or sub-contractors with applicable laws, regulations and standards, workplace regulations and industrial agreements or adverse change thereto may affect RCR's business and the value of RCR shares. RCR is required to hold certain operating permits, licences, accreditations and certifications. Any loss of, failure to comply with or failure to hold such required permits, licences, accreditations, standards and certifications may directly impact RCR's ability to fulfil its contractual obligations and adversely affect its business, including its operating and financial performance, industry standing and the value of RCR shares.
General Risks	**Risks Associated with an Investment in Shares**	There are general risks associated with investments in equity capital. The trading price of RCR shares may fluctuate with movements in equity capital markets in Australia and internationally. Generally applicable factors which may affect the market price of shares over which RCR and RCR Directors have no control include: • General movements in Australian and international stock markets; • Investor sentiment; • Australian and international economic conditions and outlook; • Changes in interest rates and the rate of inflation; • Change in government regulation and policies; and • Geo-political stability, including international hostilities and acts of terrorism. No assurances can be given that the new shares offered under the Entitlement Offer will trade at or above the issue price. None of RCR, its Directors or any other person guarantees the market performance of the new shares.
	Tax implications	Future changes in tax laws, including changes in interpretation or application of those laws by a court or tax authority may affect the tax treatment of an investment in RCR shares, or the holdings and disposal of those shares. Tax considerations may differ between RCR shareholders. Therefore, prospective investors are encouraged to seek professional tax advice in connection with any investment in RCR shares. Further, changes in tax law, or changes in the way tax law is, or is expected to be, interpreted in the various jurisdictions in which RCR operates, may impact the future tax liabilities of RCR. Those laws may also adversely affect the tax treatment of entities within the RCR group, and that may in turn adversely affect the value of RCR shares or distributions on those shares. Finally, RCR Shareholders should note there is a specific tax risk that the ATO does not agree with the eligibility of RCR's allocation of certain expenditure between 2014 and 2017 as research and development activities.

Key Business Risks (cont.)

E.I. Engineering Intelligence

Risk Category	Risk	Risk Description
	Accounting Standards	Australian accounting standards are set by the Australian Accounting Standards Board (AASB) and are outside RCR's control. Changes to accounting standards issued by AASB could materially affect the financial performance and position reported in RCR's financial statements.
Entitlement Offer Risks	**Equity Raising Dilution Risk**	If shareholders do not participate in the Entitlement Offer then their percentage shareholding in RCR will be diluted.
	Distributions	Any future dividend levels will be determined by the RCR board, having regard to its operating results and financial position (including profitability and cash flow) at the relevant time. There is no guarantee that any dividend will be paid by RCR or, if paid, that they will be paid at previous levels.
	Equity Raising Underwriting Risk	RCR has entered into an Underwriting Agreement under which the underwriter, Macquarie Capital (Australia) Limited, has agreed to underwrite the Entitlement Offer. If certain conditions are not satisfied or certain events occur under the Underwriting Agreement, the underwriter may terminate the Underwriting Agreement. This may have a material impact on the proceeds raised under the Entitlement Offer, and RCR is likely to need to find alternative financing. If the Entitlement Offer does not proceed in accordance with the terms of the Underwriting Agreement, there is a risk that RCR will not have the benefit of the Financier Support Letters. Specifically, if the Entitlement Offer is not successful and at least $50 million in proceeds from the Institutional Component of the Entitlement Offer are not received by the end of ten business days of the date of this Prospectus, this will constitute a review event under the SFA. If the Facility Agent and RCR are not able to agree actions to address the review event within seven business days (or such longer period as consented to by the Agent) of the review event, this will constitute an event of default under the SFA. This would entitle the Facility Agent to terminate the Support Period and take the necessary steps, as allowed under the SFA, to enforce its security over RCR and the other RCR Group parties that have provided security. Please refer to section 11.4 of the Prospectus for a full summary of the Underwriting Agreement and section 11.6.2 for an overview of the consequences if the Entitlement Offer is not successful.

ENGINEERING INTELLIGENCE.
That’s what we do.

International Offer Restrictions

International Offer Restrictions

This document does not constitute an offer of New Shares of RCR in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Ireland

The information in this document does not constitute a prospectus under any Irish laws or regulations and this document has not been filed with or approved by any Irish regulatory authority as the information has not been prepared in the context of a public offering of securities in Ireland within the meaning of the Irish Prospectus (Directive 2003/71/EC) Regulations 2005, as amended (the "Prospectus Regulations"). The New Shares have not been offered or sold, and will not be offered, sold or delivered directly or indirectly in Ireland by way of a public offering, except to "qualified investors" as defined in Regulation 2(l) of the Prospectus Regulations.

Luxembourg

This document has been prepared on the basis that all offers of New Shares will be made pursuant to an exemption under the Directive 2003/71/EC (‘**Prospectus Directive**’), as amended and implemented in Luxembourg, from the requirement to publish a prospectus for offers of securities.

An offer to the public of New Shares has not been made, and may not be made, in Luxembourg except pursuant to one of the following exemptions under the Prospectus Directive as implemented in Luxembourg:

a) to any legal entity that is authorized or regulated to operate in the financial markets or whose main business is to invest in financial instruments unless such entity has requested to be treated as a non-professional client in accordance with the EU Markets in Financial Instruments Directive (Directive 2014/65/EC, ‘**MiFID II**’) and the MiFID II Delegated Regulation (EU) 2017/565;

b) to any legal entity that satisfies two of the following three criteria: (i) balance sheet total of at least €20,000,000; (ii) annual net turnover of at least €40,000,000 and (iii) own funds of at least €2,000,000 (as shown on its last annual unconsolidated or consolidated financial statements) unless such entity has requested to be treated as a non-professional client in accordance with MiFID II and the MiFID II Delegated Regulation (EU) 2017/565;

c) to any person or entity who has requested to be treated as a professional client in accordance with MiFID II; or

d) to any person or entity who is recognised as an eligible counterparty in accordance with Article 30 of the MiFID II unless such entity has requested to be treated as a non-professional client in accordance with the MiFID II Delegated Regulation (EU) 2017/565.

International Offer Restrictions

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of RCR with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the FMC Act and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the Entitlement Offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

a) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
b) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
c) is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
d) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
e) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876 and including non-professional clients having met the criteria for being deemed to be professional and for which an investment firm has waived the protection as non-professional in accordance with the procedures in this regulation).

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the '**SFA**'), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of RCR's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Sweden

This document has not been, and will not be, registered with or approved by Finansinspektionen (the Swedish Financial Supervisory Authority). Accordingly, this document may not be made available, nor may the New Shares be offered for sale in Sweden, other than under circumstances that are deemed not to require a prospectus under the Swedish Financial Instruments Trading Act (1991:980*) (Sw. lag (1991:980) om handel med finansiella instrument)*. Any offering of New Shares in Sweden is limited to persons who are "qualified investors" (as defined in the Financial Instruments Trading Act). Only such investors may receive this document and they may not distribute it or the information contained in it to any other person.

International Offer Restrictions

RCR
E.I. Engineering Intelligence

Switzerland

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering material relating to the New Shares (i) constitutes a prospectus or a similar notice as such terms are understood under art. 652a, art. 752 or art. 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of art. 27 et seqq. of the SIX Listing Rules or (ii) has been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (‘**FINMA**’).

Neither this document nor any other offering material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. The New Shares will only be offered to regulated financial intermediaries such as banks, securities dealers, insurance institutions and fund management companies as well as institutional investors with professional treasury operations. This document is personal to the recipient and not for general circulation in Switzerland.

United Arab Emirates

Neither this document nor the New Shares have been approved, disapproved or passed on in any way by the Central Bank of the United Arab Emirates, the Emirates Securities and Commodities Authority or any other governmental authority in the United Arab Emirates, nor has RCR received authorization or licensing from the Central Bank of the United Arab Emirates, the Emirates Securities and Commodities Authority or any other governmental authority in the United Arab Emirates to market or sell the New Shares within the United Arab Emirates. No marketing of any financial products or services may be made from within the United Arab Emirates and no subscription to any financial products or services may be consummated within the United Arab Emirates. This document does not constitute and may not be used for the purpose of an offer or invitation. No services relating to the New Shares, including the receipt of applications and/or the allotment or redemption of New Shares, may be rendered within the United Arab Emirates by RCR.

No offer or invitation to subscribe for New Shares is valid in, or permitted from any person in, the Dubai International Financial Centre.

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (‘**FSMA**’)) has been published or is intended to be published in respect of the New Shares.

This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of the FSMA) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to RCR.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (‘**FPO**’), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together ‘**relevant persons**’). The investments to which this document relates are available only to, and any offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

United States

This presentation may not be distributed or released in the United States. This presentation does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to any person who is acting for the account or benefit of any person in the United States. Neither the New Shares nor the entitlements have been, or will be, registered under the U.S. Securities Act of 1933, as amended (‘**U.S. Securities Act**’) or the securities laws of any state or other jurisdiction of the United States. Accordingly, neither the New Shares nor the entitlements may be offered, sold or resold, directly or indirectly, in the United States.

RCR

ENGINEERING INTELLIGENCE.
That's what we do.