



AGM Presentation and Strategy Update

RBR Group Limited (ASX: RBR)

29 November 2016

- **Diversified labour services and training provider** – complementary businesses with retained **exposure to resources development**
 - Developing quality **partnerships with local and foreign stakeholders**
 - **Diversified revenue streams:** Donor funding & corporate clients; high margin frontier jurisdictions and Australian sources; client base covers several sectors
- Focus on **three geographic regions:** Mozambique; Australia; and select strategic international growth jurisdictions
 - Mozambique: First UK-govt funded training program underway, with second (3-year program) in finalization. Awarded four training programs by Sasol, further work under negotiation. PacMoz has large, stable client list. Labour-broking JV under negotiation
 - Australia: Veolia contract commenced in WA, with expansion across other AU and NZ sites expected. Late stage of negotiation with large engineering group for significant contract. Above contracts are readily replicable for other clients
 - Other: **Focus on large capital projects** and countries with trade links to Australia
- **Transition to positive free cash flows expected**, in mid-2017

STRATEGY TO PROVIDE SKILLED LABOUR, BOTH LOCAL AND EXPATRIATE, TO THE WORKPLACE EVERY DAY

CREATING A LARGE, READY-FOR-WORK LABOUR BASE IN A REGION WHERE DEMAND FOR LABOUR IS EXPANDING RAPIDLY

- RBR's Mozambique strategy, focused on addressing challenges of **local content**, is entirely aligned with the Mozambican Government's key priorities: education, job creation and health



- Labour broking, recruitment & HR services
- Permitting, visas and registrations
- Financial services
- Legal services
- Consulting work



- Established training centre in Maputo
- International-standard training
- Targeted programs
- On site mentoring and training



- Pre-employment medicals
- Occupational health monitoring
- Injury management
- On site medical support



- Range of products, including short-term, life, funeral and medical
- Partnership with broker in South Africa
- Underwritten by tier one insurance provider

Example of end-to-end RBR labour service provision

Local candidates will be pre-screened for selection

Candidates present themselves at the medical centre for a full pre-employment medical

Fit-for-work candidates moved into the camp accommodation on site

Provision of work-ready training including site inductions, basic English and trade skills

Trained candidates deployed to the workplace

LOGICAL STEPS WITH INCREMENTAL GROWTH FINANCIALS COMPELLING DESPITE MODEST ASSUMPTIONS

Existing Operations and Short-term Expansion Plans

PacMoz



Cash flow positive operation in PacMoz

*3 operating offices
(Matola/Maputo, Beira and Nacala, with access to Pemba)*

- Ongoing service revenues
- Significant revenue growth expected in CY2017, driven by demand for international visas, corporate and labour services, and the commencement of labour broking

Matola facility



New PacMoz Head office

Modern Training facility with a comprehensive course list

Close to industrial client base

Operations commenced March 2016

- Futuro Skills Training facility generates immediate income stream
- Opportunity to showcase Futuro Skills and the RBR business model to clients
- Springboard for larger scale operation in Cabo Delgado

Future development option

Cabo Delgado facility



Modest capital expenditure requirement

Construction on hold until Final Investment Decision

- Facility designed to comfortably handle 200 people per day in each of the medical, training and accommodation business units
- Potential JV opportunities with niche skills providers
- Also expected to include additional working camp facilities for 2,000 people in order to service the significant LNG developments which will be based in Palma

THE FUTURO SKILLS BUSINESS UNIT IS PROVIDING SKILLS TRAINING AND REVENUES FROM 2H 2016

Training business unit overview

- Futuro Skills is a unique training and workforce development business providing sustainable, equitable and profitable skills solutions, particularly in emerging economies
- Providing realistic and valued skills outcomes to disadvantaged young men and women through various foreign aid and private sector sponsored programs
- Registered with the Training Accreditation Council to deliver Nationally Recognised Training within the Australian Qualification Framework (AQF)
- Safe, modern and outstanding training facility in Mozambique's capital, Maputo
- Intend to become Africa's first American Welding Society approved welding school at Mozambique facility



- Training and assessment capabilities in Australia, Mozambique, Mongolia, Indonesia and Cambodia – significant pipeline of potential business
- Specialising in construction, mining, oil and gas and community based training programs



MOZAMBIQUE IS A DEVELOPING COUNTRY EXPERIENCING STRONG, SUSTAINABLE GROWTH

- Recent elections (in 2015) have returned a stable ruling party to government
- Large population of about 26.4M, with around 50%:
 - Living on less than US\$1 per day
 - Under the age of 17
 - Functionally illiterate
- Since the end of the civil war in 1992 Mozambique has been growing rapidly
 - Major investment underway in the minerals industry
 - GDP has averaged above 7% since 2000, although lower in 2015/6. Recovery expected in 2017
- New world class gas and graphite discoveries have captured the world's attention

Source: IMF Cross Country Macroeconomic Statistics, World Bank, Mozambique's INE

Key statistics.

Capital city	Maputo
Gross domestic product (2015)	US\$14.7bn
Population (2016)	26.4M
Official language	Portuguese
Corporate tax rate	32%



ENVIRONMENT SUPPORTS RBR BECOMING A MAJOR LABOUR SUPPLY ORGANISATION IN MOZAMBIQUE

Favourable environment for training locals

- c. 300k additional people enter the labour force each year
 - But there is an extreme shortage of skilled tradesmen and labourers
- Government legislation requires up to 19 nationals for every expatriate work visa issued
 - Likely to be revised to around a 10:1 ratio for major internationally funded projects in the country
- Near term market need for quality expatriate labour is estimated to be in the thousands across the target sectors
- Foreign corporations investing in major capital projects are required to contribute c. 5% of their planned investment towards social upliftment initiatives
- Anticipated 1% payroll levy will go directly towards funding training
- Mozambique population expected to be 30.6M in 2020

Increasing foreign direct investment

- Foreign direct investment flows and project numbers have recorded continuous growth year on year since 2009
- 50 foreign direct investment projects in 2014, totalling US\$8.8bn in value and creating over 10k jobs

World Bank Ease of Doing Business Index *Sub Saharan Africa countries (47 countries)*

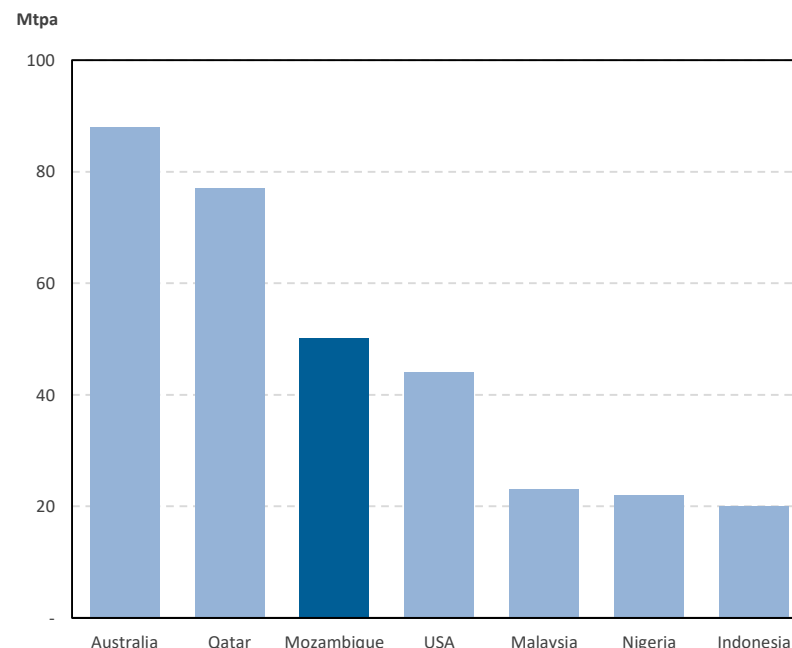
Parameter	Ease of doing business rank
Ease of doing business overall ranking	14
Starting a business	18
Dealing with construction permits	1
Getting electricity	28
Registering property	12
Getting credit	33
Protecting minority investors	12
Paying taxes	20
Trading across borders	20
Enforcing contracts	46
Resolving insolvency	5

This is Mozambique's worst ranking in the Ease of Doing Business Index; this is an example of a key area in which RBR can be of great assistance to foreign companies

LACK OF SKILLED LOCAL LABOUR TO FILL POSITIONS AT UPCOMING **WORLD CLASS LNG DEVELOPMENTS**

- Mozambique LNG has the potential to create c. 15k direct jobs and c. 685k indirect jobs
 - Potential to generate US\$39bn p.a. for the Mozambique economy
 - Expected to lead to improvements in infrastructure and create significant opportunities for small- and medium-sized businesses
 - ExxonMobil rumoured to be in talks to purchase Anadarko's and ENI's stakes and fast-track development
- **Anadarko** has discovered 70+ TCF of recoverable resources:
 - US\$4bn already invested in the project, total investment of c. US\$24bn expected for first phase
 - Reserves support an initial phase development of 12 Mtpa in 2 trains of 6Mtpa each, potential to expand to 50Mtpa+
 - FID expected in 2017, with pre-FID funding likely for critical path infrastructure works
- **ENI** has 85 TCF of recoverable resources (potentially more):
 - Multi-hub development plan, including onshore and floating LNG
 - FID for floating LNG expected imminently – offtake agreements secured
 - Capex estimated at c. US\$11bn for floating LNG alone
 - Initial phase 3.3Mtpa floating LNG, possible first gas in 2019/2020
 - FID for onshore development expected in 2017

Projected liquefaction capacity



Source: Anadarko, ENI

MANY OTHER INFRASTRUCTURE AND RESOURCES INVESTMENTS PLANNED OR UNDERWAY IN NORTHERN MOZAMBIQUE

- RBR expects to experience significant demand for its services with or without LNG developments
- Many mining, construction and infrastructure projects are planned to commence independently of LNG

A selection of the infrastructure and resources investments planned or underway in northern Mozambique

Port of Nacala	<ul style="list-style-type: none">▪ Repair and modernisation project is nearing completion▪ Expenditure of c. US\$300M
Mining	<ul style="list-style-type: none">▪ Syrah Resources, Triton Minerals (which has a strategic alliance with RBR) and Metals of Africa are just 3 graphite miners progressing their mining projects in Cabo Delgado▪ Their combined potential investment is estimated at over US\$200M▪ This activity will create hundreds of permanent jobs, many more in the project phase▪ Northern Mozambique is a hotspot for coloured gemstones (Gemfields and Mustang Resources), and holds lithium potential▪ Coal industry is recovering, which may reinvigorate investment in the Tete region
Cement production	<ul style="list-style-type: none">▪ Cimpor's Mozambican subsidiary, Cimentos de Moçambique, announced in June 2015 that they have commenced the process of building a new integrated cement production plant in Nacala▪ A project with an estimated investment of around US\$250M▪ Expected to lead to the creation of 500 jobs as well as add 1.5Mt of cement production capacity from 2018
Transport infrastructure	<ul style="list-style-type: none">▪ Significant upgrades to transportation infrastructure (primarily the road network)
Hotels and property	<ul style="list-style-type: none">▪ Numerous hotel and property developments in the region

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