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ASX Announcement
FBR Limited

FBR signs term sheet for up to 5,000 homes in Mexico

Highlights:

- **FBR executes term sheet with GP Vivienda for up to 5,000 homes**
- **FBR and GP Vivienda will deal exclusively with each other to bring robotic bricklaying to Mexico**
- **FBR and GP Vivienda working towards certification of Fastbrick Wall System and establishment of North American operating entity**

Wednesday, 3 November 2021 – Robotic technology company **FBR Limited** ('**FBR**' or '**the Company**') is pleased to advise that the Company has executed a term sheet with GP Vivienda to supply Wall as a Service® ('WaaS®') for between 2,000 and 5,000 homes in Mexico using the Company's revolutionary Hadrian X® construction robot.

Subject to a number of milestones that must be completed within the first 24 months, FBR will supply WaaS® for a minimum of 2,000 and maximum of 5,000 homes in Mexico (dependent on market conditions and GP Vivienda's pipeline of work). FBR will also supply all associated retaining walls and other brick and block structures on one or more greenfield residential development sites in Mexico within five years of completion of the milestones.

WaaS® is the servitisation and digitalisation of the old way of selling bricks and manual bricklaying labour separately and is sold as a fixed price, single delivered service to customers. The WaaS® operating entity, in a geographical region, supplies the blocks and robotically constructs walls onsite to the precise specification of a digital architectural plan. It allows customers and end users to directly access the benefits of robotic construction such as improvements in speed, accuracy, safety and waste, without having to build robotics capability into their businesses.

The order, timing and locations of all sites on which WaaS® will be supplied in Mexico is to be agreed between the parties beforehand to ensure that the Hadrian X® is deployed in a reasonably efficient manner and to minimise the time, cost and distance that the Hadrian X® is required to travel between development sites. For each site on which the Hadrian X® is deployed, the parties will commit to the supply of WaaS® on at least 100 homes. FBR will supply WaaS® at a rate that ensures the overall completed cost of the structural component of each home is commercially competitive.

The works will be supplied by FBR or an affiliate, including a North American subsidiary or branch of FBR. The term sheet contains a binding exclusivity period of 24 months in which FBR and GP Vivienda will deal exclusively with each other in relation to the agreement in Mexico, with the remainder of the term sheet non-binding until formal documentation is completed.

The milestones for completion include receiving confirmation that FBR's Hadrian X® and Fastbrick Wall System® are compliant with all relevant codes and regulations in Mexico, completion of a collaborative commercial model, completion of a pilot building program of 20 homes in Mexico with the Hadrian X® using concrete masonry unit (CMU) blocks, and COVID-19 travel restrictions easing.

FBR's Managing Director & Chief Executive Officer, Mike Pivac: "We are excited to have a term sheet in place to build our first homes in North America under competitive commercial terms. The volume of

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work contemplated under the term sheet will give us a great start from which to grow our business in North America, as there will be a strong pipeline of work to complete as soon as we deploy."

With over 115,000 homes built and delivered, GP Vivienda specialises in developing Master-Planned communities. GP Vivienda is the housing division of Grupo GP, one of Mexico's largest construction and real estate development companies.

This announcement has been authorised for release to the ASX by the FBR Board of Directors.

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For more information please contact:

FBR Limited
Kiel Chivers
Chief Commercial Officer
T: +61 8 9380 0240
kiel.chivers@fbr.com.au

For media:
Jean Perkins
Cannings Purple
T: +61 (0)438 886 954
jperkins@canningspurple.com.au

About FBR Limited
FBR Limited (ASX: FBR) designs, develops and builds dynamically stabilised robots to address global needs. These robots are designed to work outdoors using the company's core Dynamic Stabilisation Technology® (DST®).

The first application of DST® is the Hadrian X®, a bricklaying robot that builds structural walls faster, safer, more accurately and with less wastage than traditional manual methods. The Hadrian X® provides Wall as a Service®, FBR's unique commercial offering, to builders on demand.

To learn more please visit www.fbr.com.au