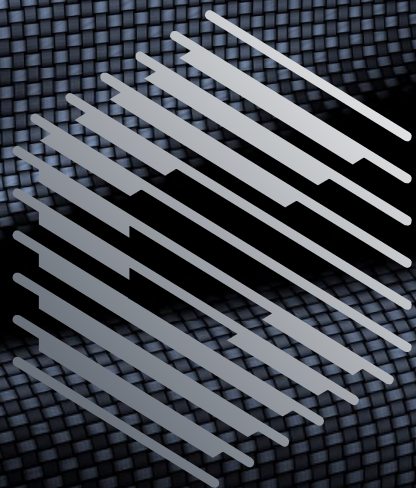


For personal use only



FOAM

FOAM GROUP LIMITED

PRIMED FOR SIGNIFICANT EXPANSION

OCTOBER 2017

ASX: CFO | www.cfoam.com

DISCLAIMER

This Investor Presentation for CFOAM Limited (CFOAM or the Company) is not addressed to or intended for use by any person who is not a sophisticated investor or professional investor, as defined in the Corporations Act 2001 (Cth) (Prospective Investor). In addition, the distribution of this Investor Presentation outside of Australia may be restricted by law and any such restrictions should be observed. This presentation does not constitute an offer, invitation, recommendation to sell, or a solicitation of any offer to buy, securities or in any jurisdiction in which, or to any person to whom, such an offer would be illegal. No action has been or will be taken to register, qualify or otherwise permit a public offering of the securities in any jurisdiction outside of Australia or New Zealand. If you are receiving this Investor Presentation in either Hong Kong, Singapore or the United Kingdom, this is on the basis that you are a qualified person within that jurisdiction as described in the Appendix.

In particular, this Investor Presentation does not constitute an offer, invitation, recommendation to sell, or a solicitation of any offer to buy, securities in the United States or to, or for the account or benefit of, any person in the United States. New shares in the Company have not been, nor will be, registered under the U.S. Securities Act of 1933 (U.S. Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly, new shares in the Company may not be offered or sold, directly or indirectly, in the United States, unless they have been registered under the U.S. Securities Act, or are offered and sold in a transaction exempt from, or not subject to, the regulation requirements of the U.S. Securities Act and any other applicable securities laws. This Investor Presentation may not be publicly released or distributed in the United States.

This Investor Presentation is not a prospectus and does not constitute or form part of any offer for sale or subscription or any solicitation for any offer to buy or subscribe for any securities in the Company. This Investor Presentation does not purport to contain all information that Prospective Investors may require to make an informed assessment of the Company or its securities and should not be used in isolation as a basis to invest. Prospective Investors should rely on their own investigations, including of the risks associated with an investment in the Company. Before making an investment, Prospective Investors should consider (with the assistance of professional advice) whether an investment in the Company is appropriate in light of their particular investment objectives and financial circumstances.

By acceptance of this Investor Presentation, the recipient agrees that this Investor Presentation and the information contained in it, and the recipient's involvement in the process described in the presentation (Process) will be kept confidential and not disclosed to third parties unless agreed in writing by the Company. All information contained in the Investor Presentation is Confidential Information. Use of Confidential Information is strictly limited to the preliminary consideration of an investment in the business described in this Investor Presentation. No portion of this Investor Presentation may be reproduced, duplicated, or revealed in any manner without prior written consent of the Company. Without limiting the generality of the foregoing, the recipient also agrees that photocopying or other duplication of the Investor Presentation and the data provided without prior written consent of the Company is strictly prohibited.

The Company reserves the right to negotiate with one or more prospective Investors at any time and to enter into a definitive agreement for an investment in the Company with any one or more Prospective Investors at any time without prior notice to any other Prospective Investor. Also, the Company reserves the right to terminate at any time further participation in the investigation and negotiation process by any Prospective Investor, and to change or terminate the Process without giving prior notice.

Each of the Company, its shareholders and its affiliates, and any of their officers, employees, agents, or representatives (Representatives), makes no promise, representation or warranty of any kind as to the accuracy or completeness of this Investor Presentation or of any other written or oral information or opinions provided now or in the future to any interested party or its advisers. They assume no duty of care to any recipient. No information contained in this Investor Presentation or any other such written or oral communication transmitted by the Company or made available to a recipient is a promise, representation or warranty of any kind. A recipient, by accepting and reading this document, agrees that it will not rely upon any such information or communication. In addition, the Prospective Investor agrees that any projections and estimates or other forward-looking statements contained in the Investor Presentation reflect various assumptions by and on behalf of the Company which involve significant elements of subjective judgment and analysis which may or may not be correct and are subject to risks and uncertainties (many of which are outside the control of the Company) which may cause actual results to differ materially. Such assumptions, risks and uncertainties include Company specific matters, such as those risks outlined in this Investor Presentation, as well as industry market conditions, general business, economic, and market conditions, and national and international political, military, and social conditions.

Accordingly, the Company gives no assurance as to the accuracy or attainability of any forward-looking statements or that any projections, estimates or forward-looking statements will be achieved. Any decision in connection with a proposed subscription for shares in the Company must be made solely on the basis of the information contained in a prospectus issued by the Company. The Company assumes no obligation to update this Investor Presentation. Also, the Company assumes no obligation to inform any recipient of any matter of which it subsequently becomes aware which may render inaccurate or misleading (including by omission) this Investor Presentation. Statements contained in this Investor Presentation describing documents and agreements are summaries only. All conversions in this document are made at 75 US cents to one Australian dollar.

EXCLUSION OF LIABILITY - Without limitation to the foregoing and to the maximum extent permitted by law, each of the Company and its Representatives accepts no liability (including in negligence or misrepresentation) for any loss or damage suffered or incurred by the recipient or any other person however caused relating in any way to this Investor Presentation, including any omissions, except to the extent stated in a definitive agreement with such person when, as, and if it is executed.

For personal use only

CFOAM: A Diversified, Product-Driven Platform Technology



For personal use only

Executive Summary

Materials Evolution	Novel, dynamic materials advancement is creating an evolution in materials science: Stronger, lighter, inert...simply – BETTER!
Primed for growth	CFO is primed for explosive growth through its revolutionary product technology platform
New Management Team	Highly experienced materials executives now in place with a PROVEN track record of success
Touchstone Partnership	TRL Spending US\$6-8mm on developing markets for CFOAM®/PFOAM™ - with NO costs shared by CFO
Expansion Plans Underway	Two primary major phases of expansion underway, essential to meet rapidly increasing demand from key global customers
Strong State/Federal Support	Significant expansion financing obtained from State of West Virginia



Capital Structure

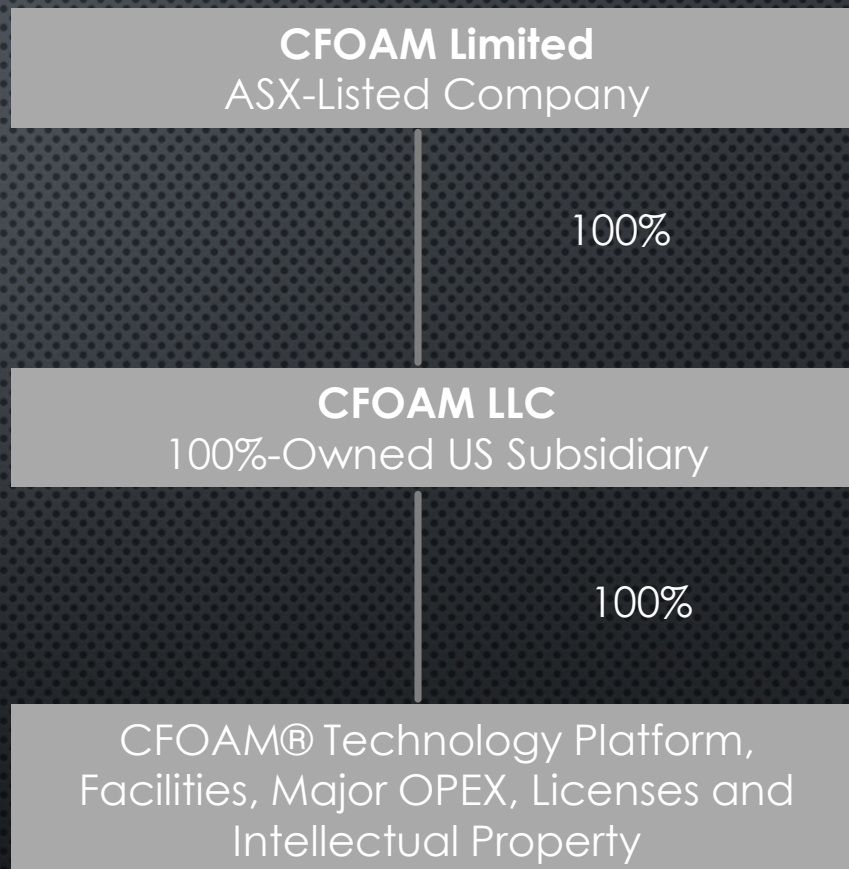
Tightly held, very minimal embedded dilution

CFOAM Limited (ASX:CFO)

Ordinary shares on issue	93.5m
Share Price (as at 5 Oct 2017)	AU\$0.365
Market Capitalisation (as at 5 Oct 2017)	AU\$34.1 mill
Cash (as at 30 June 2017)	US\$2.18 mill

Key Shareholders

Board and Insiders	~45%
Drake Private Investments	~8%



CFOAM Limited – A Brief History

A Diversified, Product-Driven Platform Technology

- CFO acquired Touchstone Research Laboratory's ("TRL") CFOAM® assets and technology rights in October 2016
- TRL, based in Triadelphia, WV, has invested over US\$60 million in grants secured from the US Govt to develop the technology into a unique, world-leading product platform
- 27 multi-jurisdictional patents in place
- CFOAM® is not a product, it is a true platform technology, created primarily from metallurgical **coal** and other **carbon-based** products
- There are numerous fully-developed products and applications that will utilize CFOAM®

Company Board

Successful Track record

Alain Bouruet-Aubertot

CEO & Executive Director

- Mr Bouruet-Aubertot finance and materials executive with close to 30 years in the materials sector
- He was previously the CEO and MD of Minteq International which he grew to annual revenues of \$400m from inception
- Previous senior roles in Lafarge North America and Rhone Poulenc SA

Gary Steinepreis

Non-Executive Chairman

- Mr Steinepreis is Chartered Accountant with significant corporate deal experience over the last 20 years
- He is the managing director of Ascent Capital, a boutique advisory firm providing accounting, corporate and management advice to numerous listed and non-listed companies in the resources, technology, manufacturing and leisure industries.

Toby Chandler

Non-Executive Director

- Mr Chandler is the Chief Executive Officer of ASX-listed Structural Monitoring Systems Ltd
- 20+ years in senior executive roles in Australia, US and Europe – with extensive investment management, portfolio theory and trading expertise
- Previously held senior executive banking roles with Morgan Stanley, HSBC and Citigroup

Todd Hoare

Non-Executive Director

- Mr Hoare has extensive capital markets experience - including fund raising, valuation and trading - across the globe
- Mr Hoare was previously a Director at Bank of America Merrill Lynch in their Global Equities Division as well as Portfolio Manager for Mulberry Capital.

Alain Bouruet-Aubertot

New CEO, Executive Director with proven track record

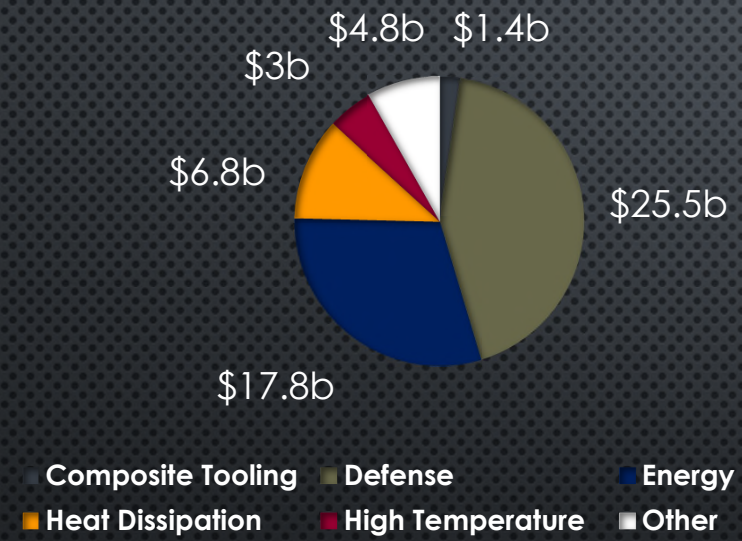
Track record:

- Large scale businesses:
 - Lafarge (NYSE:LAF): established \$500 million drywall division from “scratch”
 - Minteq (NYSE:MTX): grew \$400 million global specialty chemicals division (1,300 employees, 20+ manufacturing facilities) by more than 50%
 - Startup:
 - Grew CCSM Inc. through Series A/B financing (originally backed by Kleiner Perkins)
 - VC, PE (e.g. majors incl. KKR, Silver Point, Kelso, etc.): create maximum “exit value”
- ➔ Joined CFO as Executive Director on July 10, 2017
- ➔ Became President & CEO of CIL on July 10, 2017
- ➔ **...To Accelerate Development**

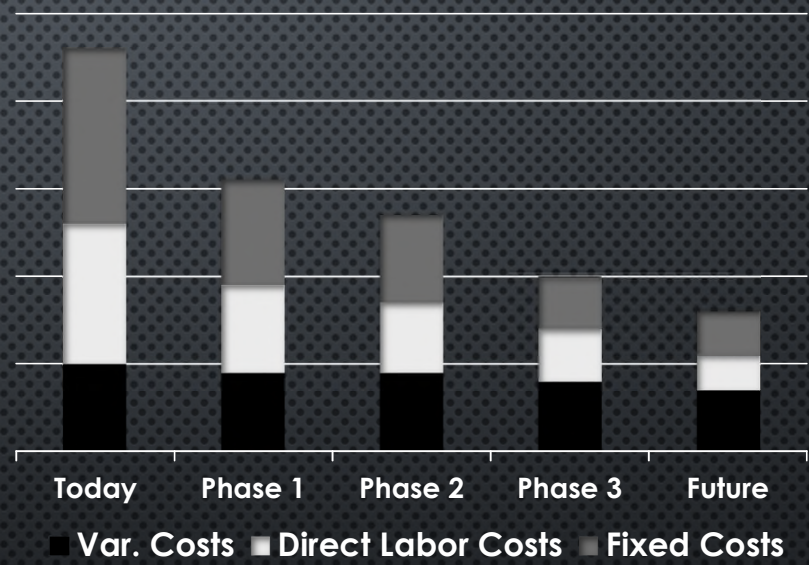
Very Large Markets & High Scalability

Rationale for Expansion

Addressable Markets*:
>\$US50 billion



Unit Production Cost (\$/cft.)



- Historically, CFO has focused on (smaller) \$1.4bn (US) composite tooling market **BUT...as the platform scales up => overhead costs ↓ and addressable markets ↑ ...significantly.**

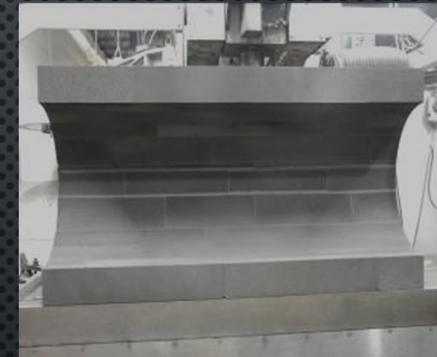
* Source: Management estimates based on market research

For personal use only

What is composite tooling?

CFO's Initial Focus Market

“Composite tools are the molds used for forming composites into various shapes”



Established customer relationships:

**NORTHROP
GRUMMAN**

**JANICKI
INDUSTRIES**

BOEING

**ASCENT AEROSPACE
COAST COMPOSITES**

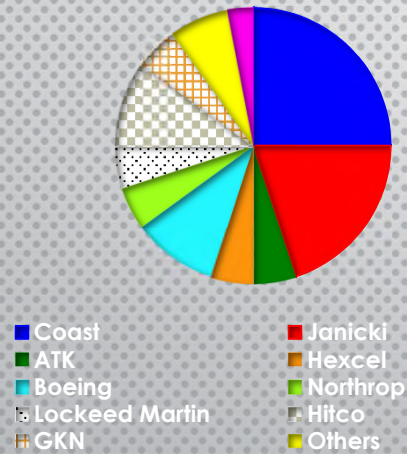
Orbital ATK

HEXCEL

Rationale for Expansion

In Composite Tooling, Initially

> \$400 million US Tooling Materials



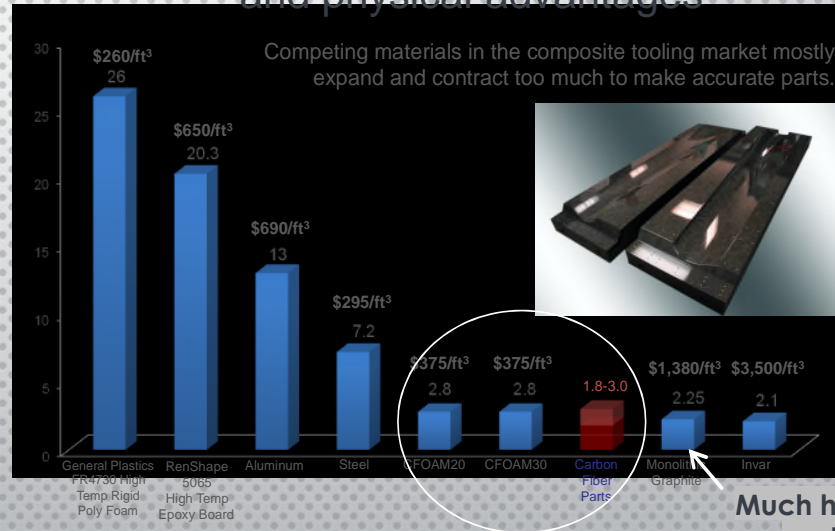
Established relationships/business w/ accounts in "solid" colors

- Touchstone Advanced Composites ("TAC", subsidiary to TRL) is CFO's primary customer (~90% today, BUT decreasing materially over time in percentile terms, but not in absolute terms)
- TAC is gaining real tooling market penetration through the use of CFOAM®
- CFO is establishing relationships and sales with other multiple, major accounts

➔ Over time, CFO will further increase market penetration with large, global customers

Coefficients of Thermal Expansion

CFOAM® has equivalent CTE to Invar, Monolithic Graphite & CF – BUT with multiple cost and physical advantages



Much higher-cost of competitive materials

For personal use only

Current Opportunities Pipeline (as at Sep-30-2017)

Potential growth goes far beyond Tridelphia, WV

Category I: Commercial Customers:

8 Customers and 5 main applications

- Composite tooling
- Space
- Defence
- Heat dissipation
- Audio



Category II: Customers close to qualification:

13 Customers and 6 main applications

- Composite tooling
- Batteries
- Fire resistant panels
- Space
- Defence
- Heat dissipation



Category III: Customers performing test evaluation:

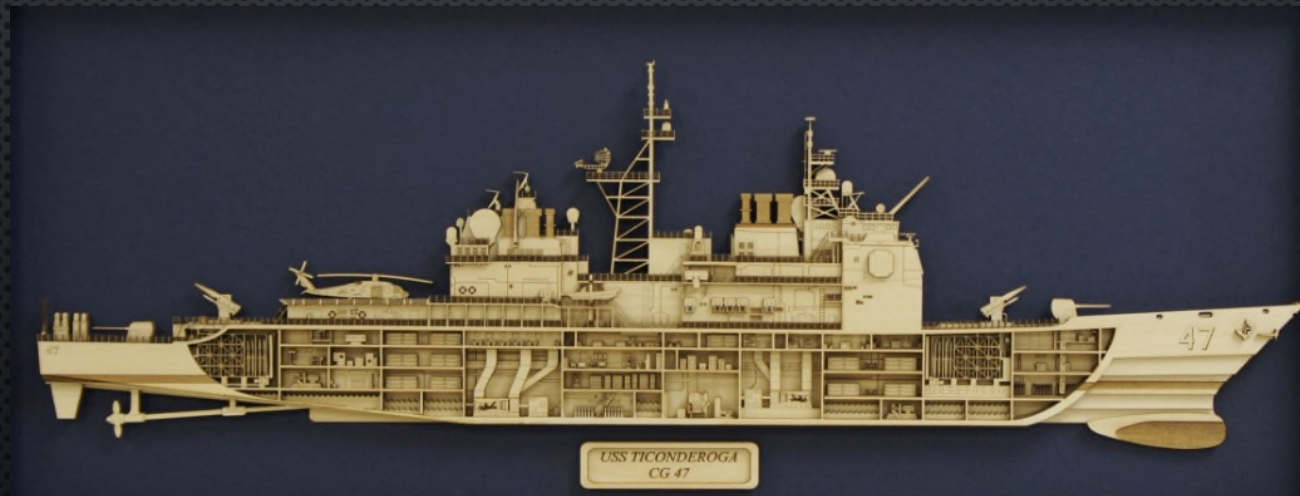
11 Customers and 6 main applications

- Composite tooling
- Cookware
- Fire resistant materials
- Transportation
- Space
- Defence



US Navy: Key CFOAM® Application – Multiple Vessels, Multiple Fleets *A Truly Defining, Multi-Year Opportunity for CFO*

- The Aegis-Class vessel manufacturer, and lead contractor, has informed CFO that the lead vessel for CFOAM® installation has been formally identified for the inaugural retrofit of its uptake-exhaust system
- First commercial shipment of CFOAM® expected by no later than Q1-2018
- Full sea-borne testing is then expected to commence Q1-2019
- There are over 70 Aegis-class vessels in the USN fleet, and multiple additional fleets in the USN that employ a similar uptake-exhaust system – representing hundreds of ships
- The applications beyond the US Navy, with both US Government and commercial applications, are significant – a verifiable **“Company-making” opportunity for CFO**



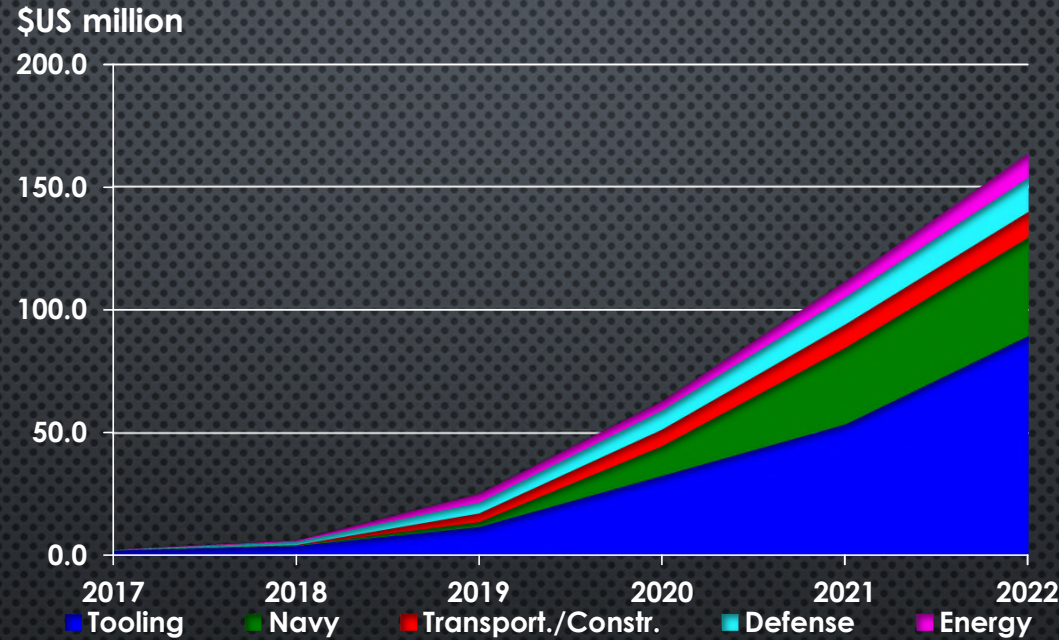
Strategic relationship with TRL ***Perfectly-Aligned, Symbiotic Partners in Growth***

The already strong relationship with TRL has been advanced further in recent weeks:

- CFO signed a new terms sheet with TRL to purchase a minimum of US\$1.4 million of CFOAM® product in the next 12 months
- TRL Founder, Brian Joseph, has come on as Senior Scientific Advisor for CFOAM LLC (CFOAM Ltd's fully owned subsidiary). Mr. Joseph is a valuable partner for future developments of CFOAM® product lines
- TRL has acted as an R&D partner to CFO for the last 12 months, and will continue to do so
- TRL continues to develop markets for CFOAM® with US\$6-8 million worth of contracts on hand that will utilize CFOAM® product lines
- TRL is currently negotiating for an additional US\$5 million of funding contracts to develop new applications for CFOAM®-based product lines
- All commercial transactions between CFO and TRL are at “arms length”

Rationale for Expansion

Fast Growing Demand



Fiscal years (e.g. "2018" is July 2017 to June 2018)

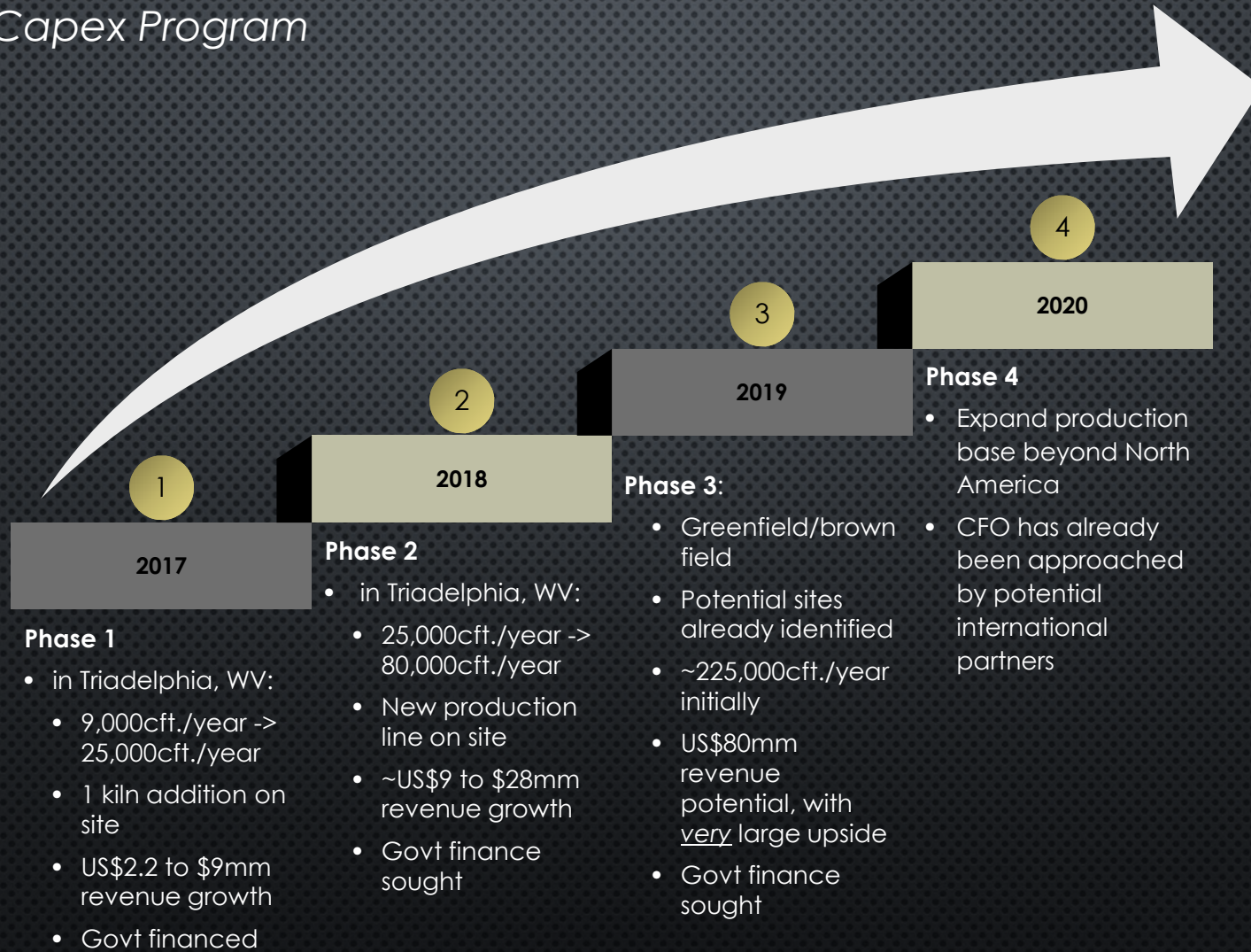
- Initial focus on (smaller) \$1.4 billion composite tooling application
- Increasing focus on growing market penetration with large, global customers, in multiple applications outside of composite tooling

➔ As business scales up, sales will expand rapidly to these other markets

For personal use only

Capacity Expansion Plan

Multi-Phase Capex Program



Current Facility & Facility Expansion...

Additional footprint (see sat. image), if implemented, would allow onsite max CFOAM® production threshold to move well beyond Phase 2 production target of 75-80,000 cft.

For personal use only



Existing facility located in Triadelphia, West Virginia



West Virginia (through WVEDA & WVJIT)

A Highly Supportive and Proactive State Government



The State of West Virginia has given CFO (and TRL/TAC) enormous support by providing the Company with non-dilutive funding for Phase 1 of the expansion on the following terms:

- US\$1.2 million low interest 10 year loan from West Virginia Economic Development Authority (WVEDA); and
- US\$1 million 10% 5 year loan from West Virginia Jobs Investment Trust (WVJIT) including a US\$600,000 bridge loan to be disbursed during construction of Phase 1 expansion (subject to WVJIT's Board final approval at scheduled November meeting)
- Financing structure to be finalized in November 2017

The Company expects (significant) further assistance with CFO's Phase II expansion, and beyond.

For personal use only

THANK YOU



October 2017

Alain Bouruet-Aubertot

+1 304 907 2213 (Direct)

abouruet@cfoam.com



For personal use only

Appendix I

What is CFOAM®?

'CFOAM® is a next generation carbon material produced from powdered metallurgical coal using a highly proprietary manufacturing process. The resulting material is virtually pure carbon, but in hard, open cell material form'



Appendix II

CFOAM® Properties

Low Coefficient of Thermal Expansion

CFOAM® ideal for aerospace tooling applications using carbon fiber with a CTE at 5.0 ppm/°C

Permeable

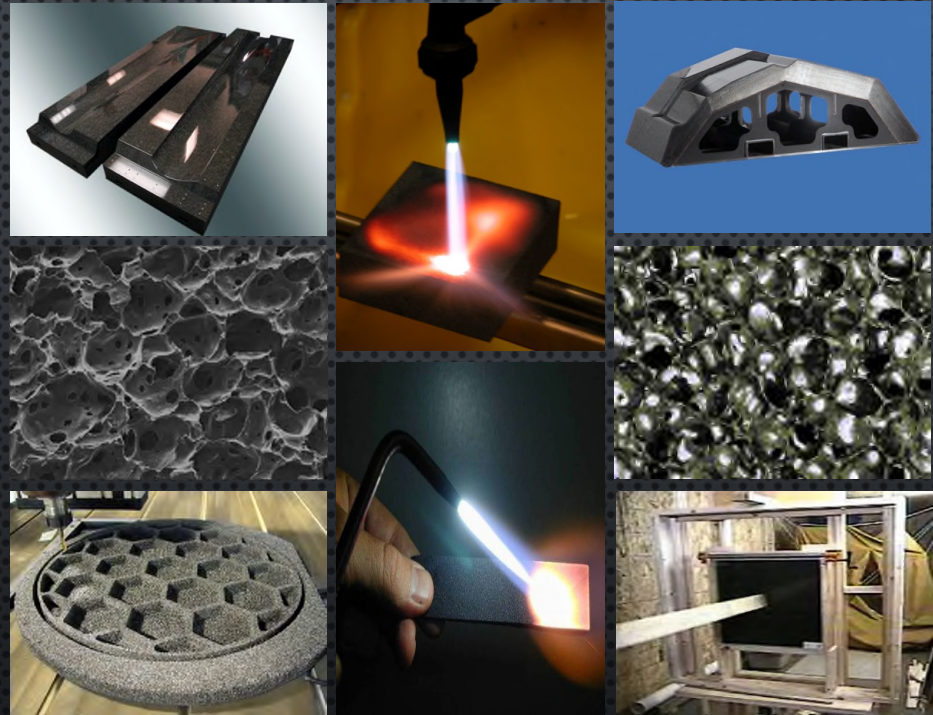
Open porosity up to 85%

Machinable

CFOAM®'s uniform density results in consistent machining with reduced waste. CFOAM® can be cut and machined into many shapes and configurations

Fire Resistance

CFOAM® passes all key fire tests including radiant panel, smoke generator, toxicity, cone colorimeter, fire resistance and room corner tests



Extremely Strong

Compressive Strength >22.1 MPa (>3,200 psi). Can perform as stand alone material or bond with other materials

Lightweight

CFOAM® is lightweight with a density range of 0.32-0.48 g/cc (20-30 lbs/ft³)

Multiple Market Applications

- Aerospace Tooling
- Energy Absorbing
- Defence/Space
- Transport etc

Affordable

Investment in CFOAM® production will result in commercial scale and will be economically manufactured. Price point is highly favourable relative to in-use incumbent materials

Appendix III

Multiple, Highly Significant Market Opportunities

Energy Absorbing Applications

- **Estimated market of US\$2.3BN annually***
- CFOAM® has undergone extensive testing and validation by the US Army, US Navy, Lockheed Martin, Southwest Research, and the Army Research Laboratory.
- Expected significant progress with such contracts over the coming quarters

Defence/Space Applications

- Extensive research of CFOAM® has been conducted through the US Government's SBIR program.
- Current discussions and programs with:
 - Huntington Ingalls
 - Missile Defense Agency
 - US Navy
 - Northrop Grumman, and others



Aerospace Composite Tooling

- **The aerospace tooling market is currently estimated at ~US\$1.4B annually** and is expecting it to grow to over US\$3.0B by 2032 with the rapid rise in carbon fiber components used in aerospace manufacture*
- Current opportunities include Northrop Grumman long range strike bomber, Boeing 777X and 787 Dreamliner, private aviation aircraft, various existing commercial and government aircraft

High Temperature Applications

- **Estimated market of US\$900m annually***
- CFOAM® currently installed on a number of rockets and satellites

Heat Dissipation and Conductivity Applications

- Automotive – Heat exchangers
- Commercial LED Systems
- Computer, networking systems components