High-Performance Structural Framing News

New Facilities Opened

We have seen a whirlwind of activity at CBS this 1st Quarter.

systems at expositions in Las Vegas NV and Fort Belvoir VA.

In February, Composite Research & Manufacturing, LLC (CRM) opened a new facility in Fort Myers FL as an integrated office, training area, and research prototyping cen-

We also opened an adjacent production area to assemble wall, floor, and roof panels for export and demo units for partners.

For accurate rapid production, CBS is having a

unique assembly line built that is a series of jigs to square panels and keep CBS displayed its wall them square throughout each step of the assembly and production.

> These jig modules are connected in series to match the production outputs shown in the CBS assembly plant operations manual. These modules are expected to be delivered in the 2nd quarter of 2010.

> This is the last step in empowering the CRM to serve as the production model for training panel assembly in subsequent CBS panel plants.

Building Composite

Structures, LTD administers services for members of the CBS group of companies. Composite Investment Group, LLC (CIG) is the inter company bank.

LTD and CIG were the first two parts in the core of our business and now the CRM is the third and final part of the core CBS business enterprise.

CBS is now ready to roll out building its domestic and international sales groups to expand the Egis® structural support system worldwide to improve building strength, sustainability, and address housing deficits.



Composite Building Structures, Ltd

1st Quarter 2010



New Press Release

http://www.igreenbuild.com/ cd 3413.aspx

Protection Against

- Hurricanes
- Tornados
- Floods
- Fires
- Termites
- Rodents
- **Electrical Storms**
- Mold & Mildew



Recent Expositions

At the American Composite Manufacturer's Association (ACMA) conference in Las Vegas, CBS displayed a 20 foot wall that showed the features & benefits of using composites to replace traditional labor intensive building mate-

A number of excellent business connections were made with members of the composite community. A surprising group of international contacts were also made for sourcing, selling, and potential joint venture partnering.

At the military exposition in Fort Belvoir, CBS displayed the new "Chu"

models for field housing, headquarters, and shelters in sizes for both squads and platoons. These CBS wall, floor, and roof designs are also capable of being "hardened" against attack in potentially hostile

plating were featured for such hardening against armor piercing ordinance using special steels, composites, self-sealing coatings, and lighter weight plasticized shielding.

In addition to designs for the military, CBS is beginning a cooperative venture to develop alternative energy systems.

CBS Now Directly Oversees Production



The most recent experience with a non-productive licensee has necessitated that we modify our licensing agreements to establish a more positive, responsive, coordinated sales group, and carefully monitor sales activities.

CBS instituted a more active and direct supervision oversight in all sales activities for its joint venture and license agreements.

This new approach fostered a second licensee for panel assembly in Florida and discussions for a third panel assembly plant in Texas.

Confidentiality Agreements, letters of authorization, and letters of intent for joint venture participation in three countries have also been signed and

CBS has held and is holding meetings and presentations to groups in its new facilities.

During these meetings, CBS was asked to provide not only the protective building shell, but also parts to completely finish the buildings.

In response, CBS assembled several alternative finishes to provide buyers a cost ranked selection from which to choose instead of requiring buyers to provide CBS with every detail as a part of their request for quotations.

Export Model on Display

Our new facility in Fort Myers now has, on display, an assembled one bedroom export model home. The model home shows all the features of the CBS building system as well as displays of the various, materials, finishes and arrangements possible.

An array of twelve (12) export models has been completely designed and engineered using CBS standardized linktogether walls. These homes range from one to six bedrooms, have porch

"Never doubt that a small group of thoughtful citizens can change the world. Indeed it is the only thing that has!"

- Margaret Mead

and roof options, and are available in sizes from 400 to 1,386 square feet (37 to 129 square meters).

Several prebuilt export homes can fit in a single container and, along with all finishing items, can be quickly and easily erected on-site by interlocking the CBS **Egis®** panels on pilings, foundations, or floors and completed with the finishing items in the container.

Selling CBS export buildings with ready to move in amenity options is a viable addition to the CBS business model of building all custom homes.

Foreign Interest

During the first quarter, we have had companies in Angola, South Africa, Haiti, India, Vietnam, and Paraguay inquire about working relationships with CBS.

In two instances, the groups have gone so far as to pre-incorporate for panel assembly in order to promote CBS products in their respective countries.

We will be working to finalize and execute the appropriate joint venture



agreements in each of these countries.

CBS has developed new part designs that benefit the speed of assembly and significantly lower building costs. These new designs form a system that is competitive for housing that is provided by governments for worker and rural housing needs.

Prior to introduction or use of these new designs, patent applications were submitted and CBS has been notified of their acceptance.

In addition to the hurricane and seismic properties of CBS's current **Egis®-Walls**, this new sustainable framing is very affordable, safe, and uses both indigenous and locally sourced building materials.

A major benefit to using CBS composites in potential earthquake zones

is that they are light weight and should they ever come apart, they are less likely to crush or trap victims, as concrete does, and can be moved or lifted using hand labor.

Since there is no steel rebar used in CBS structures, no cutting torches would be required to untangle heavy sections of our buildings.

In zones where flooding may occur, the CBS's pier system embeds the corner posts and other composite supporting parts of the floor to run through the floor and into special footing containers that are later filled with concrete.

This creates space under the buildings to resist being washed away. And, unlike other building materials, CBS composites do not saturate with water and will not rot.

1st Quarter 2010 Page 3

Utility Patent Issued

CBS has been awarded a utility patent for its wall systems.

A utility patent differs from a design patent because it creates much broader protection for a company through a series of specific claims supported by drawings and explanations.

This is the second utility patent under CBS control relating to the use of composites as the structural elements in building systems.

For all utility and design patents, the fundamental test requires that the patent be a truly unique inspiration, which does not show up in any of the

prior registered patent art, and which could not be anticipated by anyone normally skilled in the art.

CBS holds numerous design patents surrounding these utility patents and the entire body of intellectual property reinforces the core composite business in support structure framing systems that CBS has created and developed.

Additional registered property such as copyrights, logos, trademarks, and trade names reinforce the recognition and protection of our cost effective building solutions.

These registrations also serve as a strong first line of defense against unauthorized copying, reverse engineering, and intentional similarity to the CBS product line.



New Materials for Panels

In its research, CBS uncovered several new cost effective and low weight Green materials to use in wall, floor, and roof panels as designed for meeting specific requirements.

New varieties of wall armor, insulation, moisture mitigation, roofing, illumination, and surfacing materials are currently being evaluated.

As CBS discovers new materials it is able to quickly make use of them on the production line. This potential for immediate use is not available in any current technology park, incubator, or

"Persistence and determination alone are omnipotent, with both of these, succeed you will!"

- Calvin Coolidge

research facility. CBS combines an ability to add new technologies as they are developed to the assembly line for instant wide spread acceptance as the CBS panelization network grows.

In offering alternatives in low energy lighting, water heating, cooling, cook-

ing, and water systems, products are being constantly evaluated in a search for the best technologies to add within the walls of our protective building envelopes.

Innovations from other countries have been recently introduced such as hydrophobic materials that surpass Chinese MgO sheeting, and materials with lifetime resistance to mold and mildew growth which also control excess moisture by first absorbing large amounts of water and letting it evaporate harmlessly over time.

New "Social Housing"

A new wall system designed to address the need for very low cost Social Housing in countries with large housing deficits is completing its final development.

To serve the lowest cost massive housing needs CBS is adding a line of smaller supports and a totally different building system with the advantage of using local building materials.

We are pleased to announce this development which adds new markets to our existing 2x6 systems.

Several of our Social Housing patents have already been approved and issuance is pending.

A unique feature of this system, made to capitalize on international

market needs, is the ability for this system to use metric sized materials in addition to inch sized materials.

This enables 96% of the world's population that works in the metric system to seamlessly integrate our materials in reducing their Social Housing costs and deficits.

Using the CBS low cost assembly line production of 20 1-bedroom homes per shift (160 per day) will employ local unskilled workers. This reduces local unemployment, and boosts income levels.

Like our other CBS structural support systems, this very affordable housing system fits together like "Lego" blocks with the ability to add more rooms and space at a later time

This new CBS system is a complete package that includes interior walls and roof using composite structural materials to encase and protect the entire building envelope.

The panels are light weight so they can be moved and erected by hand. They are energy efficient, disaster resistant, low cost, and have all the sustainability that CBS composites deliver.

Companies have expressed interest in representing this new CBS Egis®-Wall system in their countries at a price that governments can afford to house their entire populations.

Composite Building Structures Ltd.

15880 Summerlin Road #300-143 Fort Myers, FL 33908

941-870-4413 Phone 941-870-4795 Fax Sales@CBS-Homes.com E-mail

www.CBS-Homes.com

www.CBS-Architects.com

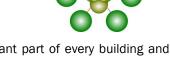
www.CBS-Builders.com

www.CBS-Homeowners.com

Building Beyond Green

"We shape our dwellings and for many years after our dwellings shape us."

- Winston Churchill



The structural shell is the most important part of every building and Egis®-panels create the longest lasting protective building envelope that money can buy.

CBS produces composite structural support framing with superior strengths optimized to replace wood, concrete block, and steel building materials.

Composite studs and shapes are assembled into panels on automotive style production lines resulting in superior walls produced quickly with minimal labor that are straight and square.

Parts have all been precision cut during their continuous manufacturing process. They are laid out in support framing patterns and connected.

Structural framework using CBS **Egis®** composites achieve low initial costs for the buyer and low monthly costs of ownership.

Every wall, floor, and roof panel is made under constant quality control inspections.

Factory authorized crews erect, anchor, and strap the structure for builders to finish.

Optimized Construction Composites withstand 350 MPH winds and earthquakes. They are termite, rodent, fire, water, and mold resistant.

CBS composites do not conduct or attract electricity. They are electronically transparent so that all Wi-Fi works without interference.

Every CBS production line becomes an anchor for a Construction Technology Center (CTC) to evolve where part suppliers can locate and supply in volume.

CBS Egis® materials will soon become

"The Framing Material of Choice—Worldwide"

Plans for This Year

CBS will finish all additional ASTM tests to achieve multiple code certifications so that CBS will be accepted by building departments across the United States.

Protocols for submitting test panels and drawings required for special panel construction have been procured from structural engineers specializing in Miami-Dade testing.

Each US code body has their own requirements. By certifying first under the expensive and stringent Miami-Dade tests CBS satisfies most all of the other code body requirements and will enable CBS composite materials to be accepted under the other US building codes.

Specialty mobile buildings are being requested for disaster relief efforts, temporary housing for workers in large projects, schools, military housing, hardened combat structures,

hydroponic gardening, and agricultural buildings and CBS is responding to the requests.

Building on the needs for special use buildings creates new proprietary products for CBS and its affiliates to sell out of the box. As these design requests evolve during the year models will be added.

Recent interest in hands-on displays for sales representatives prompted CBS to make available and inventory several sizes of demonstration kits for sale. The smallest kit fits in a briefcase, intermediate fits in an airline carryon bag and sets up on a 6 foot table, the largest is an exposition kit that is 5 feet tall for use as a freestanding display or in an exposition booth. All kits come with literature, and signage.

Potential qualified private investors have asked if there are brokers that

would manage investments in trusts, retirement accounts, and other federally approved plans. The CBS Private Placement Memorandum (PPM) has been reviewed, approved, and certified as an acceptable investment vehicle to be monitored by investment firms with alternative investment divisions.

New software has been added to create CBS computer training modules for assembly line workers, erection crews, and builders. Training in CBS computer systems, administration practices, business activities, and sales are scheduled for development.

Exclusive national supply agreements are being made with suppliers.

CBS research in lifecycle analysis, embodied energy, and sustainability may soon be a required part of Green Building certifications as the movement grows in America.