



31 July, 2023

## ASX Announcement

# Quarterly Activities Report - Q4 FY23

GENERAL  
BUSINESS

ADDITIVE  
MANUFACTURING

Armaments

Ballistic Protection

Structures

Tooling

Embedded Sensors

COATING  
& REPAIR

Metal Restoration

Wear Resistance

Corrosion Protection

Conductive Coating

Inductive Coating

Radiation Shielding

### Highlights:

- Completion of Retail Entitlement Offer and Placement
- Sale of Integrated Spray Booth to Perron038
- Ongoing commercial projects with Boeing and Triton Systems
- Growing low-pressure cold spray systems sales, with 22 sold in FY2023
- Continued development of TKF Glass Solutions sales

**Titomic Limited (ASX: TTT) ("Titomic" or the "Company")** provides its Appendix 4C cash flow and activity report for the period ended 30 June 2023 (Q4 FY23).

### **Herbert Koeck, Managing Director of Titomic, commented:**

"Titomic's pursuit of a focused revenue strategy is propelling us forward, opening up new avenues of commercial promise and innovation across various industries, including defence, aerospace, glass packaging manufacturing, and beyond.

At Titomic, we understand that ground breaking achievements are often the result of a long and steady journey. We firmly believe that good things take time, and we remain steadfast in our dedication to pioneering innovative solutions. As we navigate this road of progress, we appreciate the patience and support of our shareholders, knowing that their commitment has been instrumental in reaching these milestones.

The purchase orders received from industry giants Boeing and Triton Systems, as well as the recent growth of D523 low-pressure cold spray system sales, underscore the escalating confidence and demand for our advanced manufacturing technology. These successes highlight that we are standing on the precipice of increasing growth, and although we recognise that groundbreaking advancements require time, we are witnessing an acceleration in our progress.

In addition to our strong progress in defence and aerospace, the institutional and retail capital raise has received strong support. Amounting to \$6.5 million before costs, the capital raise will provide Titomic with a solid foundation to seize existing opportunities and develop increased manufacturing capacity and enhanced capability to increase sales and new business opportunities. With these newly secured resources, we are poised to accelerate our market penetration and solidify our position as a leader in cutting-edge manufacturing solutions.

Looking ahead, we are imbued with cautious optimism. We remain steadfast in our dedication to unlocking new manufacturing possibilities for our customers, reinvigorating shareholder value, and solidifying our global standing as an acclaimed leader in cold spray manufacturing. Although the road may be lengthy, we believe that together, with your continued support, we will overcome obstacles and usher in a new age of manufacturing."

## TITOMIC

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## Operational Update

### Sale of Integrated Spray Booth to Perron038

Titomic has sold an Integrated Spray Booth (ISB) to Perron038. Located in the Netherlands, Perron038 is a research and development facilitator that connects high-tech companies, educational institutions, and research companies for collaborative development. The ISB was sold to Perron038 for \$710,000 and it has been agreed the ISB will be delivered and paid for by the end of 2023.

### Ongoing commercial work with Boeing

In March, 2023, Titomic announced it had received a purchase order from Boeing Space, Intelligence, and Weapons Systems (Boeing) for \$132,174 for the continuation of pre-flight qualifications of Titomic Kinetic Fusion manufactured components, which were initiated in 2021. Titomic has since delivered against the order, with the project and pre-flight qualifications progressing strongly.

### Ongoing commercial work with Triton Systems

In March, 2023, Titomic announced it had received a purchase order from Triton Systems (Triton) for ~\$260,000. Since then, Titomic has delivered the first phase of the specific project, with positive test results expected in August.

This is another step toward commercialisation of Titomic's Kinetic Fusion technology on a larger scale, and further expansion into the key markets of the United States. As announced on March 31st, 2020, Triton and Titomic first entered a strategic partnership to introduce Titomic Kinetic Fusion to the US Department of Defense.

### Low-pressure cold spray system sales

Titomic has sold 22 D523 low-pressure cold spray systems in FY2023, demonstrating significant market demand for this unique technology. These low-pressure systems were sold to companies across a broad range of industries, including surface engineering, manufacturing, aerospace, energy, and mining servicing firms. The D523 system's versatility and wide range of applications make it an ideal solution with a range of industries, enabling cost-effective repairs, coatings, and application of specialty metals with efficiency.

### TKF Glass Solutions

Following the successful Site Acceptance Testing of the TKF Glass Solutions system by Vetropack, a leading glass packaging manufacturer, Titomic is now poised to extend its reach to other members of the International Partners in Glass Research (IPGR). This development underscores Titomic's commitment to forging strategic partnerships within the glass research community.

Additionally, Titomic has begun the installation of a TKF Glass Solutions demonstrator unit in a prominent glass packaging manufacturing plant in the USA. By leveraging the unique capabilities of this system, Titomic aims to foster greater industry interest from the glass packaging manufacturing market.

TKF Glass Solutions are designed to provide a range of commercial benefits, including the elimination of manual mould swabbing and the ability to automatically apply corrosion-resistant coatings to glass moulds. In Australia alone, the glass manufacturing market is valued at \$3.4 billion, with glass packaging manufacturing comprising 41.7% (IBISWorld 'Australian Glass Manufacturing', 2021').

### Strengthening of Titomic's reseller network

Titomic has expanded its reseller network with the addition of Anywise USA, further enhancing Titomic's presence in the United States. Titomic is now supported by 10 resellers across the globe, gaining representation and further strengthening Titomic's presence and distribution across key markets including North America, Asia Pacific, and Europe.

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## Corporate Update

### Retail Entitlement Offer and Placement

Titomic has completed a fully underwritten pro rata accelerated renounceable entitlement offer to existing eligible shareholders and a non-underwritten placement offer to raise \$6.5 million before costs. Funds raised under the Capital Raising will be used to develop increased manufacturing capacity, enhance capability for increased sales opportunities of current products and new business opportunities and to provide additional general working capital to advance the Company's business.

### Company Restructure

As originally announced in April, Titomic successfully completed its company restructure in May 2023. The reorganisation has resulted in an optimal company size, enabling Titomic to efficiently meet immediate and near-term customer demands while prudently managing costs. This strategic move positions Titomic to seize upcoming opportunities and enhance overall performance.

### Neos Joint Venture

Titomic signed a Joint Venture agreement with Neos International Limited (Neos International) in June, 2022. Neos International is part of the UK Neos Group of companies, which is now under administration. Titomic does not have any assets or investments that will need to be written off as a result.

The commercial viability of Titomic Kinetic Fusion's capabilities pertaining to tooling manufacture remains strong. In August, Titomic will meet with a separate UK-based manufacturer of tooling and moulds to further explore tooling production in the UK.

### Titomic Summons

As previously announced, Titomic has been served with a Summons, filed with the Supreme Court of NSW which names the Plaintiff as Composite Technology R&D Pty Ltd ABN 52 094 571 187 and the Defendant as Titomic. The claim set out in the Summons is commercially misleading conduct which the Company denies and continues to vigorously defend.

*This announcement has been authorised for release by the Board of Titomic Limited.*

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### ABOUT TITOMIC LIMITED

Titomic Limited (ASX: TTT) is an Australian public company specialising in large integrated solutions for industrial-scale metal additive manufacturing, using its patented cold spray additive manufacturing (Cold Spray AM) technology. Titomic provides Cold Spray AM solutions, OEM production and R&D services to the global Aerospace, Defence, Shipbuilding, Oil & Gas, Mining and Automotive industries. Titomic also offers global sales and support for all of its Cold Spray AM activities from its Melbourne Head Office, as well as through local presence in the USA and Europe. Titomic delivers competitive advantages in metal additive manufacturing at every stage in the product value chain. For more information, please visit [www.titomic.com](http://www.titomic.com).

### FORWARD LOOKING STATEMENTS

Certain statements made in this release are forward-looking statements and are based on Titomic's current expectations, estimates and projections. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," "guidance" and similar expressions are intended to identify forward-looking statements. Although Titomic believes the forward-looking statements are based on reasonable assumptions, they are subject to certain risks and uncertainties, some of which are beyond Titomic's control, including those risks or uncertainties inherent in the process of both developing and commercialising technology. As a result, actual results could materially differ from those expressed or forecasted in the forward-looking statements. The forward-looking statements made in this release relate only to events as of the date on which the statements are made. Titomic will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this release except as required by law or by any appropriate regulatory authority.

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