



October 31, 2024

ASX Announcement

GENERAL BUSINESS

ADDITIVE MANUFACTURING

Defense
Ballistic Protection
Structures
Tooling
Embedded Sensors

COATING & REPAIR

Metal Restoration
Wear Resistance
Corrosion Protection
Conductive Coating
Inductive Coating
Radiation Shielding

Quarterly Activities Report - Q1 FY2025

Highlights:

Leadership expansion and renewal

- Jim Simpson appointed President Titomic U.S. with immediate effect and new CEO, effective January 1, 2025
- Dr Patricia Dare appointed Head of U.S. defense and aerospace efforts
- Klaas Rozema appointed President EMEA

Completion of upsized AUD 30.0 million equity placement

- Proceeds to fund establishment of U.S. operations in Huntsville, Alabama and expand global organization and operations

Positive financial performance

- FY2024 revenue grew 127% to AUD 5.9 million; total orders reached AUD 10.0 million

Growing global defense business

- Sale of a D523 system to Triton Systems for AUD 72,000, strengthening the partnership
- Repkon Titomic joint venture launched with a AUD 2.3 million order for the TKF 1000 system
- U.S. aerospace and defense purchase orders totaling AUD 577k, bringing project orders to over AUD 1.0 million
- Sale of D523 cold spray solution to U.S. Navy's NAVSEA

Global oil & gas adaptation of Titomic cold spray technology

- First D623 system sold in Australia for AUD 174,000 to United Industrial Solutions
- Titomic invited to join DNV ProGRAM to standardize cold spray applications in oil and gas

Continued innovation strengthening Titomic's competitive product offerings

- Titomic introduces augmented reality enhancement for its D523 cold spray system
- Titomic demonstrating pilot cold spray backpack solution for potential use in remote or harsh environments

Titomic Limited (ASX: TTT) ("Titomic" or the "Company") provides its Appendix 4C cash flow and activity report for the period ended 30 September 2024 (Q1 FY25).

Statement from Dag W.R. Stromme, Executive Chairman of Titomic:

"The first quarter of the 2025 financial year has been transformational for Titomic Limited (ASX: TTT) as we strengthen our presence in key markets and execute our strategic expansion into the U.S. aerospace and defense sectors. Following the successful AUD 30 million equity placement, we have initiated the establishment of our new headquarters and manufacturing facility in Huntsville, Alabama. This move will bolster our ability to cater to a growing demand for cold spray manufacturing solutions, particularly in defense and aerospace, as well as in the utilization of cold spray for coating & repair.

We are also thrilled to announce the appointment of Jim Simpson as Titomic's U.S. President (effective immediately) and new CEO, effective January 2025. Jim brings over 40 years of experience in the satellite, aerospace, and defense industries, having held leadership roles with companies such as Boeing, Virgin Orbit and Aerojet Rocketdyne. His appointment comes at a pivotal time as we scale our U.S. operations, and Jim's expertise will be instrumental in driving our strategic growth, particularly within the defense and aerospace sectors.

TITOMIC

Titomic Limited Ground floor, 365 Ferntree Gully Road
Mount Waverley, Victoria 3149, Australia

info@titomic.com | titomic.com

ABN 77 602 793 644



GENERAL BUSINESS

ADDITIVE MANUFACTURING

Defense
Ballistic Protection
Structures
Tooling
Embedded Sensors

COATING & REPAIR

Metal Restoration
Wear Resistance
Corrosion Protection
Conductive Coating
Inductive Coating
Radiation Shielding

Innovation continues to be a key driver for Titomic, and this quarter saw the introduction of our revolutionary augmented reality (AR) suite for the D523 cold spray system. This AR solution, the first of its kind in the cold spray sector, provides real-time data to improve maintenance, repair, and overhaul operations. By streamlining processes and enhancing operational safety, the AR suite offers significant benefits to industries such as aerospace, energy, and automotive. This advancement is a clear demonstration of our commitment to pushing the boundaries of cold spray technology thereby facilitating its expanded use in multiple industries and environments.

In addition to these advancements, we continue to make progress on a global scale, including our efforts to standardize Titomic cold spray applications for use in defense, aerospace, oil and gas, and beyond. Our involvement in initiatives like DNV's ProGRAM further showcases our leadership in driving the adoption of cold spray technology across key industries. As we look ahead, we remain focused on delivering strong growth, expanding our market presence, and further advancing our position as the leader in cold spray solutions."

Operational Update

Titomic appointed Satellite & Aerospace veteran Jim Simpson U.S. President and its next CEO

Titomic announced the appointment of Jim Simpson as the Company's U.S. President (effective immediately) and new CEO, effective January 1, 2025. Jim Simpson will succeed Herbert Koeck, who is retiring at the end of 2024. Simpson will also serve as President of Titomic USA, Inc. and Deputy CEO of Titomic Limited during the transition. Dag W.R. Stromme will take over as Executive Chairman to support Simpson in his new role and oversee the Company's U.S. expansion.

Jim Simpson brings over 40 years of experience in the Satellite, Aerospace, and Defense sectors, having held leadership roles at companies including Virgin Orbit, Boeing, Aerojet Rocketdyne, and Saturn Satellite Networks. He has extensive knowledge of the U.S. national security, space, and aerospace industries.

Titomic Appointed Dr Patricia Dare to Head U.S. Defense and Aerospace Efforts

Titomic appointed Dr Patricia Dare, an experienced executive in the U.S. defense sector, to lead its U.S. defense and aerospace sales efforts. Dr Dare brings over 30 years of expertise, having previously held key roles at Raytheon, Boeing, and Lockheed. This appointment marked a strategic move to enhance Titomic's capabilities within the U.S. defense sector.

Repkon Titomic joint venture kicks off with AUD 2.3 million order

Repkon Titomic's joint venture commenced with an AUD 2.3 million order for the TKF 1000. The system was sold to Repkon Production Technologies and Trade Co. Inc. for use in the world's first hybrid cold spray manufacturing facility in Turkey. The TKF 1000, combined with Repkon's flow-forming capabilities, will be pivotal in the production of high-performance barrels. This order marked a significant step towards the commercialization of validated processes, enabling faster production times, access to advanced materials, and enhanced component performance.

Titomic makes further advances in the U.S. aerospace and defense industries

Titomic received further purchase orders totaling AUD 577k from a global U.S. aerospace and defense prime, bringing cumulative orders on this project to over AUD 1.0 million. These orders reflected a significant milestone in the ongoing relationship, following a multi-year qualification period.

Titomic sells low-pressure D523 system to Triton Systems, strengthening strategic partnership in U.S. manufacturing sector

Titomic sold a low-pressure D523 System to Triton Systems for AUD 72,000. This marked another step in the growing partnership between the two companies, further enhancing Triton's manufacturing capabilities and allowing for the development of novel solutions based on Titomic's cold spray technology.

TITOMIC

Titomic Limited Ground floor, 365 Ferntree Gully Road
Mount Waverley, Victoria 3149, Australia

info@titomic.com | titomic.com

ABN 77 602 793 644



GENERAL BUSINESS

ADDITIVE MANUFACTURING

Defense
Ballistic Protection
Structures
Tooling
Embedded Sensors

COATING & REPAIR

Metal Restoration
Wear Resistance
Corrosion Protection
Conductive Coating
Inductive Coating
Radiation Shielding

Triton Systems' acquisition of the D523 system complements their earlier purchase of a high-pressure TKF system, reinforcing their commitment to utilizing Titomic's advanced cold spray technology for both low and high-pressure applications.

Titomic makes first sale of a D623 in Australia and resource sector

Titomic sold a D623 cold spray system for AUD 174,000 to United Industrial Solutions, marking the first deployment of the D623 system in Australia. The system will be used for corrosion-resistant coatings on critical oil and gas assets, extending their lifespan and improving resilience in harsh marine environments. The D623, an advanced version of the D523, features a higher deposition rate and can deposit harder metals. This sale adds to earlier transactions made to Airbus, EPCOR, University Rey Juan Carlos, and Neue Materialien Bayreuth.

Titomic sells innovative cold spray solutions to U.S. Navy's NAVSEA

Subsequent to quarter end Titomic sold a D523 cold spray system to the Naval Sea Systems Command (NAVSEA) of the United States Navy.

This is Titomic's first contract with the U.S. Navy, further strengthening Titomic's growing presence in the global defense industry and marking a significant milestone for the Company. Titomic is in dialogue with NAVSEA and exploring future commercial opportunities in relation to further coating and repair applications as well as cold spray additive manufacturing solutions.

NAVSEA's strategic role in the procurement of advanced technologies ensures the U.S. Navy remains at the forefront of innovation. The acquisition of the D523 system marks an initial step towards potentially integrating Titomic's cold spray technology across a range of naval applications.

Consolidated sales into education, research, and resources sectors

Titomic made four sales across education and R&D, totaling AUD 145,460. This included the sale of a D523 low-pressure cold spray system to an Australian university for AUD 82,000, marking the first sale of this system to Australia's education sector. The system will be used by a range of academics from undergraduates to post-doctoral researchers.

Corporate Update

Titomic announces successful upsized AUD 30 million equity placement

Subsequent to quarter end, Titomic successfully completed tranche 1 of an upsized institutional equity placement, raising AUD 30.0 million in total. Tranche 1 delivered AUD 17.2 million in funding with the balance (tranche 2) subject to shareholder approval at the Company's AGM to be held on 29 November 2024. The offer was priced at AUD 0.12 per share, a 5% discount to the 10-day VWAP.

Establishment of new headquarters and manufacturing facility, driving U.S. expansion

Titomic announced it will establish operational headquarters and manufacturing facilities in Huntsville, Alabama. This move is driven by increasing U.S. Government and defense OEM interest in Titomic's products and capabilities, particularly for the manufacture of titanium parts for missiles, aerospace applications, and coating and repair solutions. The new facility will support Titomic's goal of becoming a U.S.-based manufacturer, complementing the Company's operations in Europe and Australia.

Titomic Summons

As previously announced, Titomic was served with a Summons on 5 December 2022, filed with the Supreme Court of NSW which named the Plaintiff as Composite Technology R&D Pty Ltd ABN 52 094 571 187 (Composite) 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.

TITOMIC

Titomic Limited Ground floor, 365 Ferntree Gully Road
Mount Waverley, Victoria 3149, Australia

info@titomic.com | titomic.com

ABN 77 602 793 644



GENERAL BUSINESS

ADDITIVE MANUFACTURING

Defense
Ballistic Protection
Structures
Tooling
Embedded Sensors

COATING & REPAIR

Metal Restoration
Wear Resistance
Corrosion Protection
Conductive Coating
Inductive Coating
Radiation Shielding

Titomic filed its defense to the Summons on 3 March 2023 and issued a Cross Claim Summons on the same date. Both Titomic's and Composite's lay evidence has been served. Both parties have now been directed by the Court as follows:

- Composite to serve any expert evidence that it intends to rely upon by 29 November 2024
- The matter is listed for further directions by the Court on 6 December 2024.

Innovation and Market Leadership

Titomic introduces augmented reality enhancement for its D523 cold spray system

Innovation remains at the heart of our success. Subsequent to quarter end, we introduced an augmented reality (AR) suite for our D523 cold spray system, the first of its kind in the industry. This cutting-edge solution enhances operational efficiency by providing real-time system data, enabling faster, safer, and more accurate maintenance and repair activities. By pushing the boundaries of cold spray technology, we are driving significant improvements across industries such as aerospace, energy, and automotive.

Titomic invited to join DNV ProGRAM to standardize cold spray applications in oil and gas

Subsequent to quarter end, Titomic was invited to join DNV's ProGRAM, an R&D program focused on developing standards for additive manufacturing in the oil and gas industry. This collaboration will accelerate the adoption of Titomic's cold spray technology, addressing industry challenges such as corrosion and wear. The program will develop qualification standards for manufacturing parts and repairs, targeting structural components in alloys like Inconel 625. By contributing its expertise, Titomic aims to help the industry adopt more efficient and sustainable production methods.

Titomic receives research grant from CSIRO Kick-Start Program

Subsequent to quarter end, Titomic has received an AUD 49,634 grant from the CSIRO Kick-Start Program to commence a research project. The Company will also contribute AUD 49,634 to the CSIRO. The research project aims to enhance commercial opportunities of Titomic's D-Series cold spray systems by utilizing the cold spray digital twin to evaluate system performance.

Financial and Operational Performance

FY2024 was a year of strong growth, with revenue surging by 127% to AUD 5.9 million. Titomic's order book also saw significant expansion, reaching AUD 10.0 million, fueled by key partnerships and the growing adoption of its cold spray solutions. Notably, over AUD 8.0 million in orders were secured since March 2024, setting the stage for further growth into FY2025. Titomic has continued to optimize its financial performance, reducing statutory net loss after tax from AUD 15.7 million in FY2023 to AUD 11.9 million.

Strategic Developments and Outlook

Titomic recognizes the potential of its joint venture with Repkon, which launched with an AUD 2.3 million order for a TKF 1000 system. This partnership marks a significant step toward establishing the world's first hybrid cold spray manufacturing facility, which will revolutionize the production of high-performance components. Additionally, Titomic's growing presence in the U.S. defense sector, with purchase orders related to project developments totaling AUD 577k, further demonstrates Titomic's capability to meet the stringent requirements of the world's leading aerospace and defense organizations.

Summary

In summary, Titomic is well-positioned for significant growth in the defense, aerospace, and industrial sectors, with promising sales momentum and strategic investments. However, short-term cash flow management will require careful attention, particularly as the company invests in its U.S. expansion. By optimizing operational costs, accelerating receivables, and securing recurring revenue streams, Titomic can strengthen its financial position while continuing to expand its global market presence.

TITOMIC

Titomic Limited Ground floor, 365 Ferntree Gully Road
Mount Waverley, Victoria 3149, Australia

info@titomic.com | titomic.com

ABN 77 602 793 644



GENERAL BUSINESS

ADDITIVE MANUFACTURING

Defense
Ballistic Protection
Structures
Tooling
Embedded Sensors

COATING & REPAIR

Metal Restoration
Wear Resistance
Corrosion Protection
Conductive Coating
Inductive Coating
Radiation Shielding

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

- - - - - END - - - - -

INVESTOR CONTACT

Geoff Hollis
Titomic
Chief Financial Officer
P: +61 438 168 008
E: geoff.hollis@titomic.com

MEDIA ENQUIRIES

Ben Andrews
Titomic
Global Marketing Manager
P: +61 438 759 620
E: ben.andrews@titomic.com

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, Defense, 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.

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.

TITOMIC

Titomic Limited Ground floor, 365 Ferntree Gully Road
Mount Waverley, Victoria 3149, Australia

info@titomic.com | titomic.com

ABN 77 602 793 644