

ASX CODE: AL3

CAPITAL STRUCTURE

Share Price	\$0.42
Shares on Issue	149m
Market Capitalisation	\$62m
(as at 23/11/20)	

MAJOR SHAREHOLDERS

Andrew Sales	26.5%
Perennial Value Mgmt	6.8%

BOARD & MANAGEMENT

Stephen Gerlach AM
Non-Executive Chairman

Andrew Sales
Managing Director

Sean Ebert
Executive Director

Kevin Reid
Non-Executive Director

Len Piro
Non-Executive Director

Christine Manuel
Company Secretary

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2020 AGM

CHAIRMAN'S AND MANAGING DIRECTOR'S ADDRESSES

AML3D Limited (ASX: AL3) ("**AML3D**" or "**the Company**") is pleased to provide a copy of the addresses to be given by the Chairman and Managing Director at AML3D's first Annual General Meeting, on 24 November 2020.

This announcement has been authorised for release by the Board of AML3D.

For further information, please contact:

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ABOUT AML3D

AML3D(ASX:AL3) is an Australian public company redefining the standards of productivity. Incorporated in 2014, AML3D utilises 3D printing to solve complex challenges with metallurgy, patented WAM® process, proprietary software WAMSoft®, creating certified, industrial products more sustainably. AML3D provides additive manufacturing on demand services in contract manufacturing centres and is the original equipment manufacturer of Arcemy®, metal 3D printers that utilise local materials to manufacture high performance products closer to the location of use. For more information, visit www.aml3d.com.

AML3D®, WAM®, WAMSoft®, Arcemy® are all registered trademarks for AML3D®.

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2020 Annual General Meeting: 24 November 2020

CHAIRMAN'S ADDRESS

Good morning ladies and gentlemen.

My name is Stephen Gerlach. I am the Chairman of AML3D Limited and will be chairing the meeting today. Thank you for joining AML3D's first Annual General Meeting.

Given the significant health concerns attributed to the COVID-19 pandemic, in addition to guidelines and restrictions issued by Australian state and federal governments, we are holding this AGM as a virtual meeting, in a manner that is consistent with the temporary modifications to the Corporations Act 2001 (Cth) introduced by the Commonwealth Treasurer.

It is now 10 am and, as a quorum is present, I declare the meeting open. I confirm that the meeting has been properly constituted.

In opening the 2020 AGM I would firstly like to introduce the Board of AML3D. My fellow Directors are in attendance and also appear on your screen:

- Andrew Sales, Managing Director
- Sean Ebert, Executive Director
- Len Piro, Non-executive Director; and
- Kevin Reid, Non-executive Director and Chair of our Audit & Risk Committee

We are also joined by our Company Secretary, Christine Manuel.

Also present is Matthew King, representing our Auditor, William Buck.

We are all excited to be with you today after what has, and continues to be, a busy and rewarding period for AML3D. With our Initial Public Offer, or IPO, in April, many commercial milestones achieved and a strong Balance Sheet, we are in great shape to continue growing in 2021 and beyond.

Formalities

Before we review the year that was, a brief run through of the agenda for this morning.

It goes without saying that 2020 has been a year like no other. Today's virtual AGM is another example of how we have all had to adapt and respond to the challenges presented by the global COVID-19 pandemic.

Apart from the virtual nature of the AGM, our approach will be as per normal AGMs.

I'll begin with a brief overview of AML3D and our achievements to date. Our Managing Director, Andrew Sales will then provide an overview of operations and an outlook for the 2021 financial year, after which we will proceed to the formal business and the resolutions to be considered at today's AGM.

Today's meeting is being held online via the Lumi platform. We welcome shareholders, proxies and guests who are attending the meeting virtually. All attendees can watch a live webcast of the meeting. In addition, shareholders and proxies have the ability to ask questions and submit votes.

A recording of today's proceedings will be made available on AML3D's website.

On that note, let me begin with a quick recap of AML3D, our performance in FY20 and our outlook for FY21.

Brief overview of AML3D

Our goal at AML3D is to become a leading diversified large-scale metal fabrication company by commercialising our proprietary WAM® technology.

WAM® stands for Wire Additive Manufacturing, a process which builds objects via sequential layers of metal. The process combines welding science, robotics, metallurgy and software to produce automated wire fed 3D printing in a large freeform environment.

I will leave it to Andy to talk to our WAM® technology in more detail, however, we consider ourselves to be a disruptor of traditional 'subtractive' metal fabrication, and we strongly believe our technology will transform the metal manufacturing and fabrication landscape forever.

We are already delivering products to clients and have a strong pipeline of opportunities that we will be looking to convert into long-term customer contracts. With over 50 discussions held with potential clients we already have more than 12 customer contracts signed, which is an excellent conversion rate.

With the recent \$7 million placement, we have ensured that we have the strong balance sheet needed for our short to medium term expansion plans. With no current debt on the books we are well on the way to revenue generation and growth.

Furthermore, the market size is estimated at US\$10 billion and growing to US\$35 billion by 2024. With our reputation growing in the market and our customer pipeline building, we are taking on new key personnel that will help to drive this pipeline and secure a large part of this massive and exponentially growing market.

AML3D Business Model

In this next slide, I thought it would be a good idea to talk briefly through the business model for AML3D.

There are four key revenue streams that will be generated from our business model. They are contract manufacturing, Arcemy® unit sales, licensing, service and maintenance optimisation, and consumables supply.

We anticipate that contract manufacturing will be the largest revenue segment for the business. Contract manufacturing will be made up of fee-for-service manufacturing for customers, with Singapore to be the first target market, design optimisation services for WAM® Additive Manufacturing, and customised production of specialist parts; an example of this is the recently produced ship propeller for 3DPC.

Arcemy® sales will be the sale of the Arcemy® printing module itself to external third parties, with units already sold to two customers. Arcemy® is the trade name of the manufacturing unit we sell.

From these Arcemy® unit sales we will be generating annual service fees for training, software updates and the provision of AML3D staff, as well as ongoing maintenance of the machines to ensure continual improvement is applied to the welding technology.

And finally consumables supply, which is where we will provide high quality feedstock that is specific for use in the Arcemy® units.

Strong progress since listing

In FY20 a key highlight for AML3D was our successful listing on the ASX. The listing raised \$9 million and we were delighted with the strong support received from both institutional and retail shareholders. We have some high-quality institutional investors on our register, which is a great endorsement for our strategy and outlook.

Since listing, the team has kept busy delivering progress against our stated objectives:

- We successfully established footprints here and overseas. Our Singapore office and manufacturing centre is progressing well, and we relocated our local operations to the key industry precinct of Edinburgh in Adelaide.
- We made senior management appointments to oversee growth here and abroad, and we continue to grow our sales team in a disciplined manner.
- We have also had great success in converting customer discussions to engagements for component testing. We have no less than 12 customers currently in various stages of testing, and we expect some will lead to long term, recurring manufacturing revenue streams.

A review of FY20 would not be complete without touching on the COVID-19 pandemic. At AML3D, we are pleased to have navigated the pandemic with relative success, and we remain committed to upholding the highest standards in health, safety and wellbeing.

We have not recorded any cases internally, which was in part due to early and decisive actions taken through enacting broad ranging procedures and protocols. Such measures included the ability for staff to work from home, regular testing and strict enforcement of social distancing in the workplace.

It is pleasing to say that aside from some inevitable inconveniences caused by COVID- 19, it has been business as usual for AML3D, and we plan on keeping it that way.

An exciting outlook

The new financial year is now underway and shaping up to be another exciting one for AML3D. We are confident of success given the strong foundation in place and key milestones achieved in 2020.

My final slide is one that many of you may have seen before, however, it really sums up the opportunity that lies ahead for AML3D. There are not too many markets that are rising with this exponential growth and we have a very real opportunity to grab a material share of it.

To that end, I will reiterate what I believe to be the key drivers that will underpin our future success. These are:

- The commercialisation of our proprietary WAM® technology has commenced. We continue to sign new customers and are receiving very encouraging feedback.
- The current bolstering of our management and sales & marketing teams to ensure we are able to take advantage of our early momentum and win further clients and market share.
- Our WAM® technology being globally certified. We are the first wire feedstock additive manufacturing facility to receive a Lloyds Register qualification, as well as being ISO 9001 certified.
- Our technology is highly disruptive. The advantages I mentioned earlier will soon see us winning significant market share from traditional fabrication, in my opinion.
- We are well capitalised for growth thanks to our successful IPO and subsequent share placement. This financial strength will help us move toward a self-sustaining operating model, whereby we will service short-term growth through our growing revenue stream.
- And lastly, we have an enormous market opportunity to pursue, with expectations of a market size greater than US\$35 billion by 2024.

It is indeed an exciting platform for AML3D to continue its growth trajectory.

Acknowledgements

Before I hand over to Andy, I would like to thank my fellow Board members for the wide-ranging skills and expertise they have brought to AML3D, and their support throughout our initial public offering process.

Recognition must also be given to our management team and staff, who have demonstrated resilience and dedication during the challenges of COVID-19. Thank you for not wavering from our overarching goal to become a leading diversified large-scale metal fabrication company in the Southern Hemisphere.

Finally, to you, our shareholders, thank you for choosing to invest in AML3D. Your Board and management team are committed to pursuing profitable and sustainable growth for the benefit of all stakeholders, as we build upon the foundation created from our initial public offering in April and operational successes since.

On that note, I'll hand over to Andrew Sales who will talk through operations and outlook in more detail.

MANAGING DIRECTOR'S ADDRESS

Thank you, Stephen, and good morning ladies and gentlemen.

AML3D's first AGM as a listed company is a special occasion for me. It has been, and continues to be, an exciting journey, and many people have put in a huge effort along the way. So, I'd first like to pass on a sincere thank you to all who have helped the company get to where it is today.

Before reviewing the year that was, I'd like to reiterate Stephen's comment regarding the exciting outlook for AML3D. There aren't too many companies that can say they're disrupting a traditional and large industry with emerging technology, but that is what AML3D is doing.

Let me begin by providing a brief overview of our WAM® technology and why we expect it to disrupt the traditional metal fabrication industry.

Highly disruptive technology

Wire Additive Manufacturing, or WAM®, builds objects via sequential layering of metal, delivered via our proprietary and bespoke 3D printing software, WAMSoft®. Wire feedstock is melted through a plasma-arc, then transferred via controlled molten metal droplets which solidify to form accurate beads, layer by layer, to produce high specification metal components.

AML3D's WAM® technology allows us to make bespoke componentry for customers which are stronger than traditional cast or forged parts. Our process is a cheaper, faster, and more environmentally friendly when compared to current metal manufacturing and fabrication processes.

As Stephen mentioned, our WAM® technology has been globally certified under the Lloyds Register qualification, as well as having ISO 9001 certification. These certifications are in effect our licence to operate and help attract new customers.

To receive these certifications our technology has passed the most stringent of tests. So, the way I see it, the certifications are the trigger for the initial interest of new customers, and the quality of our product is what will build long-term relationship with those customers.

The wire additive manufacturing process is undertaken by our proprietary ARCEMY® modules.

As a side note, when people see our ARCEMY® module for the first time, they are surprised by its small footprint. Compared with traditional large-scale forging and casting factories, it's no wonder our ARCEMY® modules are seen as an industry disruptor. It's these modules that we plan to distribute globally to capture a small but significant share of the global additive manufacturing market.

Traditional fabrication processes require a significant infrastructure footprint, high levels of raw material & energy inputs, and are much more time and labour intensive than our WAM® technology. Traditional methods of Cast/Forged and Billet machining have served industry very well for hundreds of years, (particularly since the beginning of the 2nd Industrial Revolution. However, today society is rightfully demanding businesses operate with sustainably smaller environmental footprints.

To put some numbers to this, our WAM® technology delivers finished ready to use products which are anywhere between 10%-30% stronger, 70% cheaper and 75% faster to manufacture, as well as being more environmentally friendly with 80% less waste produced.

It is for all these reasons that I believe our WAM® technology and ARCEMY modules will ultimately be viewed as a driver of the 4th industrial revolution.

AML3D is uniquely positioned as a leader in this fast-growing sector, which underpins our confidence in an exciting future for AML3D.

Commercialisation of WAM® underway

Turning now to operational progress since listing and promises that we have delivered on.

Firstly, revenue generation has commenced across all sectors listed to the right of this slide through building our customer pipeline.

A great deal of work has gone into identifying customers for our pipeline, and then converting this pipeline into new customers. Once we move beyond component prototyping and testing and into contract manufacturing, we see a great deal of upside for AML3D, especially when you consider the potential market size.

This growth in our customer pipeline has seen us make strong in-roads into our target industries:

- In the aerospace and defence sector, we've moved into first stage product testing with Lightforce Australia to develop next-generation 'made-to-fit' titanium body armour. With BAE systems we're currently evaluating a number of technology options that have the potential to offer a new contracting revenue stream, which is a great opportunity.
- The aerospace and defence sector is growing rapidly and requires strong and precise parts to be manufactured in quick time. I believe we will see strong growth in this sector in the years to come.
- In the Marine sector, we manufactured and delivered a 1.4 tonne Panama Chock to a major shipbuilder based in Singapore. The chock was subsequently independently assessed by DNV-GL and deemed to be one and a half times stronger than the cast equivalent. A great outcome indeed!
- Earlier in the year we delivered our first ARCEMY® module to ST Engineering in Singapore under a rent-to-buy arrangement. AML3D has retained the right to 50% of the unit's printing capacity, so we'll be able to manufacture products for other customers in Singapore. It's flexible working relationships such as this that allow us to leverage our capability, while co-existing with customers, in a cost effective manner.
- We also forged a partnership with Austal Ltd to co-develop component parts for maritime defence applications, and I am pleased to say that this relationship continues to strengthen.
- In the Marine sector we also have purchase orders from 3DPC to performance test a number of components, with the first being a propeller that was recently completed for them.
- On the general manufacturing front, we sold an ARCEMY® module to Rowlands Metalworks, a South Australian defence supplier. This domestic sale provided critical local validation and will support our efforts to penetrate the Australian manufacturing sector.

- We have also been engaged by a European multinational looking at the manufacture of critical wear components, and we have a new component testing arrangement with a rail company. We're confident we'll be able to foster these early stage relationships and turn them into long-term contract manufacturing arrangements.
- Finally, the Mining, Oil and Gas sector. We're in late stage discussions with various companies to produce component parts. We've also forged a relationship with AdditiveNow that will see us work with their clients to performance test a number of components. The relationship with AdditiveNow is another example of how we're thinking outside the box, to work with sector specific companies, in mutually beneficial ways.

These are just some of the highlights on progress to date. As you can see, it's been a busy start to the new financial year, and I can only see it getting busier from here.

Scaleable manufacturing footprint

When people ask where I see the biggest opportunity for AML3D, I say it's having ARCEMY® modules strategically located (through bureau networks), both in Australia and overseas, near our customers and target industries to ensure we deliver products in a timely, cost effective and environmentally efficient manner.

This slide shows some of our target markets and timeframes I believe are achievable once we have the right sized team in place to sign new customers.

The beauty of our Arcemy® module is that its small footprint means we can manufacture them here in Adelaide and cost effectively transport them anywhere in the world to be positioned near key clients and industries.

The benefits of our technology are clear, but the potential growth from establishing ourselves in strategic locations here and internationally cannot be underestimated.

Investment highlights and catalysts

I'll finish by re-iterating AML3D's value proposition and touching on key catalysts for the current financial year, which is already shaping up as another exciting one.

We've covered our key value drivers, and they're summarised again on this slide.

- Firstly, our technology is disrupting a large and growing industry which is in desperate need of change.
- Our technology is proven, and we've commenced the commercialisation process. We're engaged with a number of customers for production testing with potential to deliver significant contract manufacturing revenues.
- The footprint of our manufacturing facilities is small and scalable. This is a key advantage to the global roll-out of ARCEMY modules.
- Having successfully listed on the ASX in April and completed a subsequent capital raising, we're well funded to deliver our growth program.
- And lastly, the market opportunity for our WAM technology is huge. The market size is currently estimated at US\$10 billion and forecast to grow to US\$36 billion by 2024.

I trust you will agree that these value drivers provide a solid foundation for material and sustainable growth in earnings and shareholder returns.

I won't list out the many near-term customer catalysts, except to say that as we look to FY21 we'll be focused on:

- Growing our manufacturing capabilities in Singapore, this is in line with the model we have successfully delivered in Adelaide,
- Pursuing global business opportunities, focusing initially on creating customer and industry partnerships in high margin industries,
- Expanding our contract manufacturing base to drive long-term repeat customers,
- Building Arcemy® modules for customers looking to establish in-house 3D printing capability,
- Growing recurring revenue via annual software licencing, service and maintenance agreements and sale of wire feedstock,
- And lastly, continuing research and development activities to refine and broaden our range of products, such as the application of new alloys and exotic metals in the WAM® process.

We're expanding our team in a disciplined manner and will only employ technical, sales and marketing support knowing a financial return can be generated. Maintaining a lean company with an ongoing focus on cost control and shareholder returns is paramount.

Activities this year and our broader growth strategy position us well, to sensibly grow our presence in the global market. I believe our proprietary software and equipment will not only entice new customers to work with us, but also help retain customers over the longer-term due to WAM's compelling offering.

Close

In closing, I'd again like to make mention of our very capable team that works tirelessly to ensure AML3D continues on its path to success.

I would also like to note the encouraging support I receive from our shareholder base, this reflects a great level of trust placed in us, and for that I am very grateful.

Your support, along with that of our experienced Board, has allowed AML3D to evolve into what it is today. You have our commitment that we will continue pursuing our strategic objectives to deliver sustainable and long-term value creation for the benefit of all stakeholders. I look forward to providing regular updates during FY21.

On that note, I'll hand back to Stephen to commence the formal part of the AGM.

Thank you once again.

--ENDS--