

UNDERWRITING OF UNEXERCISED OPTIONS

New Strategic Investor Supports the Company

K-TIG Limited is pleased to announce it has entered into an underwriting agreement (**Agreement**) with BHL Pension to underwrite the exercise of up to 1,785,661 KTG listed options expiring on 30 April 2021 and exercisable at A\$0.23 each trading under ASX code – KTGOB (**Options**).

In 2018, KTG issued 2,157,928 Options exercisable at A\$0.23 per Option at any time until its expiry on 30 April 2021. Since that date, approximately 372,267 Options have been exercised by holders. Under the Agreement, BHL Pension agrees to underwrite the exercise of any of the outstanding KTGOB Options that are not exercised by Option holders prior to their expiry (**Offer**). The total amount to be potentially raised from the Offer is up to approximately A\$410,702.

Settlement of the shares to be issued under the Offer is expected to occur on or about 7 May 2021. The Agreement contains standard covenants and termination provisions for an agreement of this nature.

KTG plan on utilising the funds to further expand the US operations by establishing a purpose-built demonstration site and hiring of on the ground technical support staff in the US.

KTG's Managing Director, Mr. Adrian Smith, said: "The Company is excited to have the backing of a new strategic investor and to accelerate the US expansion, with two key milestone expected to be delivered this quarter, with the opening of KTG's own purpose built demonstration site and the employment of on the ground technical support in the US. These two developments will make the KTG technology a compelling proposition in the US fabrication industry as not only will the customer benefit from the technology's excellent efficiencies, quality, and cost savings but have the confidence that support is only 24 hours away."

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This announcement was authorised for issue by the Chairman of K-TIG Limited.

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About K-TIG Limited

K-TIG is a transformative, industry disrupting welding technology that seeks to change the economics of fabrication. K-TIG's high speed precision technology welds up to 100 times faster than traditional TIG welding, achieving full penetration in a single pass in materials up to 16mm in thickness and typically operates at twice the speed of plasma welding. K-TIG works across a wide range of applications and is particularly well suited to corrosion resistant materials such as stainless steel, nickel alloys, titanium alloys and most exotic materials. It easily handles longitudinal and circumferential welds on pipes, spooling, vessels, tanks and other materials in a single pass. Originally developed by the CSIRO, K-TIG owns all rights, title and interest in and to the proprietary and patented technology and has been awarded Australian Industrial Product of the Year and the DTC Defence Industry Award.

Forward Looking Statements

Statements contained in this release, particularly those regarding possible or assumed future performance, revenue, costs, dividends, production levels or rates, prices or potential growth of K-TIG Limited, are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.