



INVESTOR PRESENTATION

November 2021

K-TIG | Investor Presentation | 29 November 2021

FORWARD LOOKING STATEMENTS

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CORPORATE OVERVIEW

Our Mission

“We believe that quality fabrication is at the heart of humanity’s greatest technological achievements. Everything starts with a great weld and K-TIG’s revolutionary technology enables our customers to transform the economics of fabrication, and help their communities thrive.”

Our mission is to inspire fabrication businesses of all sizes to re-think the fabrication processes and apply world leading technologies to sustainably increase their productivity and quality.

We do this by constantly innovating to develop revolutionary technology that creates exceptional competitive advantage, extraordinary productivity gains, dramatic cost savings and increased margins for our customers.

We advocate for innovation and deliver the world’s most advanced key-hole welding system, helping our customers to transform, grow and provide economic benefits to their communities.



K-TIG | TECHNOLOGY

- A **transformative**, industry-disrupting welding technology that changes the economics of fabrication.
- Performs a conventional **multi-hour** multi-pass TIG weld into a **3 minute** single pass weld.
- Reduces fabrication costs by up to **80-95%**.
- Welds to the highest-grade “Nuclear” welding quality.
- **Proprietary technology** meets all relevant US, European and Australasian welding standards and certified by Lloyds and Bureau Veritas.



WINNER
Defence
Industry
Innovator
Award

COMMERCIALLY PROVEN |

GLOBALLY

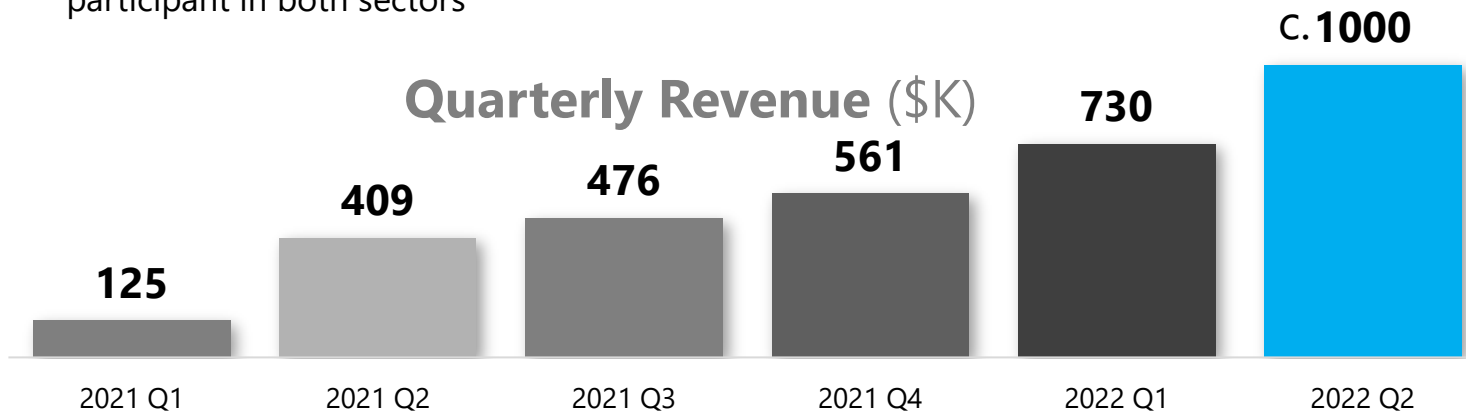


BUSINESS UPDATE |

QUARTER ON QUARTER REVENUE

Key Achievements

- K-TIG anticipates record quarterly revenues of circa \$1 million in Q2/22 (December), which was achieved with one distribution partner in the US. The addition of new distributors will see this grow substantially as the new partners ramp up their sales efforts
- K-TIG has delivered greater than 50% compound quarterly growth in revenue over the last four Quarters and expects this to continue as new distributors are engaged and market awareness increases
- The company is poised to leverage its distribution model as it ramps up distribution agreements with new automation integrators in the USA and UK.
- Significant progress in Defence and Nuclear Markets towards goal of becoming an industry participant in both sectors



* Estimated Q2/22 (December)

BUSINESS UPDATE |

STRATEGY

Beyond the Torch

- Three vertically integrated pillars of the business to drive growth.
- **Bread and Butter** – sale of Keyhole TIG welding units through a combined direct sales force and distribution partner strategy focused on localized representation and support

Differentiation through our patented technology and advanced controller allowing simple integration with 3rd party welding systems. Recurrent revenue through software enabled functionality

- **Welding Cell Solutions** – development and sale of standard turnkey welding cells that integrate K-TIG technology with commercial automation and welding sensor technology

Differentiation through the provision of Industry 4.0 solutions that enhance productivity as well as address the weld quality data gap

- **Fabrication Joint Ventures** – enter the fabrication market in niche, highly regulated, high-quality applications; Nuclear, Defence, Hydrogen, etc. Use this vehicle to develop Welding Cell Solutions

Differentiation through establishment of highly automated fabrication processes that focus on extreme quality and productivity. Open technology solutions to become industry standard

BUSINESS UPDATE | DISTRIBUTOR PIPELINE

K-TIG has successfully built out the infrastructure required to ramp up its engagement with distributors to tackle the +USD 20 billion global welding market¹

Distributors

- Distributors are integral to our growth strategy; they enable us to meet the complete needs of our customers for an automated welding system
 - ❖ *Tier One Distribution Partners* – Welding Automation System Manufacturers and Integrators
 - ❖ *Tier Two Distribution Partners* – Welding Equipment Suppliers who have relationships with automation system manufacturers and integrators
 - ❖ *Tier Three Distribution Partners* – Welding Technology Influencers who can provide referrals
- Post developing the infrastructure to support and manage distribution networks the company is accelerating its roll out with the signing of two new tier one distributors this financial year (Key Plant UK and MITUSA)
- The distributor pipeline is healthy with the company in discussions with fifteen potential tier 1's and we anticipate adding additional distributors in coming quarters, 2-3 per quarter.
- White Labeled distribution is being investigated to leverage the global infrastructure of existing brands

¹ Welding Market Size, Share | Global Industry Growth, 2021-2028 (fortunebusinessinsights.com)

BUSINESS UPDATE |

NUCLEAR

K-TIG continues to engage and target the +GBP £1.5Bn UK nuclear decommission coffin market to not only deploy the technology but also actively play a role in the fabrication

Nuclear Advanced Manufacturing Research Centre

- Negotiations on the formal project agreement for K-TIG to develop the next generation welding cell for the Sellafield 3m² nuclear waste boxes in preparation for serial manufacture in Tranche 2 of their planned procurement (15,000 units) continue

Fabrication Joint Venture

- The company is actively working on becoming a supplier to Sellafield for the Tranche 1 (2,000 units) of decommission. This strategy will allow the company to work with the regulator to develop the next generation welding cells in a commercial setting.
- The company has identified and working with strategic partners and expects to make further announcements on this in due course

BUSINESS UPDATE |

DEFENCE

Shipbuilding

- K-TIG is actively working with global primes on assisting them to deliver Australia's next generation of maritime capability to provide, pipe spooling, deck plate and light weight structures solutions to dramatically lower fabrication costs
- As a part of the engagement with the global primes K-TIG has been invited, and has joined BAE Systems in their Modern Manufacturing Initiative for Tonsley Line Zero and is actively working with their team on the structure of K-TIG's involvement

Armour

- After delivering outstanding weld results joining ultra high hardness, UHH 600, and ultra high toughness, UHT armoured 440 steels, in a Land 400 joint configuration, we are finalizing solutions for rolled homogenous armour, RHA 300 & RHA 360, in a Land 8116 configuration. We anticipate providing a further update on this work for Hanwha in 2022 Q3
- Based on the positive results achieved, we continue discussions with Hanwha regarding the manufacture of actual vehicle components for qualification testing
- This work continues to attract global interest from other armoured vehicle manufacturers

Fabrication Joint Venture

- K-TIG has identified and is working with strategic partners to define commercial arrangements to establish an Australian based Joint Venture fabricator focused on servicing Australian defence

BUSINESS UPDATE | PRODUCT DEVELOPMENT

K-TIG continues to develop the next generation of our product roadmap to maintain technical leadership

Evolve 3

- Work progresses on the development of the next generation controller, Evolve 3, to enable our Industry 4.0 road map where we are not only the most efficient keyhole TIG welding system but also the integrated weld data aggregator
- Offers current system functionality with additional interfaces to a wider range of industry automation options to enhance integration with more complex automation such as robotics for applications beyond linear or circumferential applications
- Platform for the integration of 3rd party welding augmentation such as automatic seam tracking, oscillation, automatic electrode to work piece gap setting, as well as real-time acoustic, ultrasonic and visual weld quality inspection, etc.
- Advanced functionality will be software enabled on standard hardware to allow market segmentation and value pricing. Options will require annual recurring licensing

CORPORATE OVERVIEW

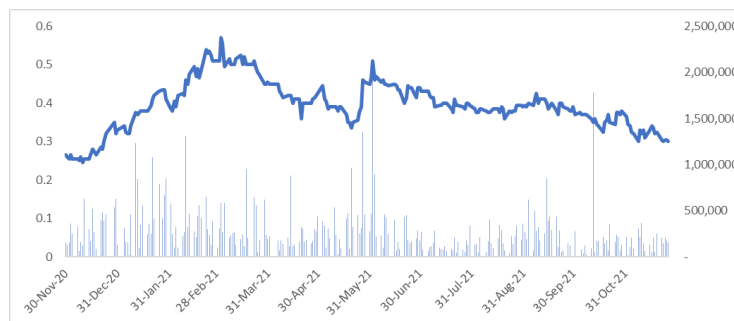
Capital Structure

Share Price (26-Nov-21)	A\$0.30
Market Cap (26-Nov-21)	A\$50.73m
Shares On Issue	169.11m
Cash (30-Sep-21)	A\$4.27m
Debt (30-Sep-21)	-
Enterprise Value	A\$46.46m

Share Ownership Summary 22-Nov-21

Name	Shares	% of Shares
ADVANCED SCIENCE & INNOVATION	19,717,068.0	11.62%
HSBC CUSTODY NOMINEES (ac 2)	19,237,653	11.34%
NEIL GARRY LE QUESNE	11,962,407.0	7.05%
PARKSIDE FAMILY (SA) PTY LTD	6,133,164	3.62%
HSBC CUSTODY NOMINEES	4,294,390	2.53%
KAREN CHRISTINE JARVIS	3,412,807.0	2.01%
CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	3,245,580	1.91%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	2,767,676	1.63%
MR RICHARD SMITH	2,650,000.0	1.56%
SYED BASAR SHUEB	2,528,155	1.49%

Trading History – Since Listing



Management Overview

Stuart Carmichael	Non-executive Chairman
Syed Basar Shueb	Non-executive Director
Anthony McIntosh	Non-executive Director
Mark Twycross	Non-executive Director
Adrian Smith	Managing Director
Stephen Unerkov	Chief Financial Officer
Brett Tucker	Company Secretary
Deborah Ho	Company Secretary



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