

ASX Announcement | 21 July 2023

## K-TIG TECHNOLOGY SELECTED AS PART OF GENERAL DYNAMICS' ELECTRIC BOAT US DEPARTMENT OF DEFENSE MANTECH AWARD

### Highlights

- The US Department of Defense Navy Manufacturing Technology (ManTech) Program awarded the project 'Next Generation Autogenous Welding Process and Equipment Development' to General Dynamics Electric Boat
- General Dynamics Electric Boat designs, builds, repairs and modernizes nuclear submarines for the U.S. Navy
- General Dynamics Electric Boat is the prime contractor and lead design yard for the U.S. Navy's Virginia-class attack submarines
- ManTech is a US Department of Defense industrial preparedness program focused on affordability improvements for key naval platforms as well as capability acceleration
- K-TIG's welding technology has been selected by General Dynamics for this project to develop an alternative to conventional gas tungsten arc welding (GTAW) of pipe joints

21 July 2023: K-TIG Limited (ASX:KTG) ("K-TIG" or the "Company") is pleased to announce that its technology has been selected by General Dynamics Electric Boat (a subsidiary of General Dynamics) as part of a US Department of Defense Navy Manufacturing Technology sponsored program associated with the 'Next Generation Autogenous Welding Process and Equipment Development'.

The Office of Naval Research's Navy Manufacturing Technology (ManTech) Program awarded the project "Next Generation Autogenous Welding Process and Equipment Development" to General Dynamics Electric Boat.

General Dynamics Electric Boat designs, builds, repairs and modernizes nuclear submarines for the U.S. Navy. Headquartered in Groton, Connecticut, the company employs more than 20,500 people.

General Dynamics is a global aerospace and defense company that offers a broad portfolio of products and services in business aviation; ship construction and repair; land combat vehicles, weapons systems and munitions; and technology products and services. General Dynamics employs more than 100,000 people worldwide and generated \$39.4 billion in revenue in 2022.

General Dynamics Electric Boat's primary focus is on submarine production which includes the Virginia Class submarine.

Under the recently announced AUKUS pact with the United States and Great Britain, Australia will buy three (3) Virginia Class submarines.

The purpose of the ManTech Program is to develop an autogenous gas tungsten arc weld (GTAW) using a keyhole technique as an alternative to conventional GTAW of pipe joints. This process allows for the completion of a pipe joint in a single pass. This process eliminates the use of filler material, consumable insert rings, and reduces bevel prep requirements. This process will decrease the amount of machining time, filler wire consumption, and welding arc time, while maintaining weld quality. Therefore, with this new process, pipe welding labour hours at Electric Boat will be reduced and first-time quality will be increased.

Under this project, K-TIG's research and development team will develop the keyhole welding process and parameters for the pipe joints and undertake the initial prototype welding. If accepted by General Dynamics Electric Boat, General Dynamics Electric Boat will purchase an initial K-TIG system and develop the welding procedures required to meet the US Navy standards. The financial impact of a sale to the Company is approximately A\$200,000. Each party is responsible for their own costs associated with the project.



*Source: General Dynamics Electric Boat's Virginia Class submarine*

The ManTech project has a period of performance over the period June 2023 - September 2025. Electric Boat's ManTech program is administered by the Advanced Manufacturing Technology (AMT) group. It is anticipated that a decision by General Dynamics Electric Boat to proceed with the purchase of a KTIG system will occur during the December 2023 quarter.

The significance of this announcement is that this project demonstrates General Dynamics Electric Boat's and the US Navy's intent to trial, test and determine the technical viability of K-TIG's welding technology as part of the ManTech program. The Company will continue to keep the market informed of any material updates including any additional sales that may be secured from General Dynamics Electric Boat by the Company.

Adrian Smith, Managing Director, said "this project complements our current US Navy National Shipbuilding Research Program project, to demonstrate the suitability of K-TIG technology for the repair and sustainment of U.S. Warships, which was previously announced in December 2022. We are extremely excited to be working with General Dynamics Electric Boat and ManTech to demonstrate the benefits of K-TIG technology and its application to the naval and defence sectors."

This announcement was authorized for issue by the Board 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.