

29 April 2022

Review of Operations Q3 FY2022

Titomic Limited (ASX: TTT) (Titomic or Company) is pleased to provide its Appendix 4C cash flow and activity report for the period ended 31 March, Q3 FY2022.

Herbert Koeck, Managing Director of Titomic, commented: "With the recent acquisitions of Dycomet and Tri-D, the agreement with complementary components manufacturer Triton, and with Repkon becoming a strategic investor, this quarter we have made significant progress in integrating those key initiatives into our operations. The aggregate of these achievements provide the ability for us to commence scaling the business through diversified revenue streams that include machine sales for component manufacture, ongoing revenue from consumables and servicing, leasing of machines on-site for in-house use by clients, and strategic investor partnerships and joint ventures for full-scale component manufacture through cold spray additive manufacturing (CSAM) processes.

We have laid the foundation to become a leading Joint Venture player in market-ready solutions using best-in-class CSAM technology, allowing us to scale and leverage our partners' complementary expertise and gain access to their customers.

Global challenges have highlighted the importance of local manufacturing and robust supply chains which will lead to an acceleration of the pace at which aerospace and defence companies adopt new technologies like Titomic Kinetic Fusion, providing us with a unique opportunity for growth."

Q3 FY2022 Highlights

- First Titomic Europe system sold into Australia for the high-volume mining industry
- Repkon Joint Venture discussions near completion
- NEOS Joint Venture discussions progressing well with machine design initiated
- Sales into Europe and Australia using complementary product sets with recently acquired cold spray technology company Dycomet (Titomic Europe), leading to new growth opportunities
- MMI Space Grant effort continues to deliver exceptional data and new applications
- Melbourne Head Office has moved next to its manufacturing facility leading to cost savings and increased operational efficiency

Operational Update

Dycomet integration

Titomic has realised immediate synergies with the integration of the Dycomet operations following its acquisition in December 2021. Titomic Europe operates as the centre of excellence for Coatings and Repairs, with Titomic Australia serving as the Additive Manufacturing centre of excellence. This approach has immediately resulted in new opportunities with customers who have applications across the complete



Titomic portfolio.

Titomic is now the only global supplier of low, medium and high-pressure cold spray systems which opens up numerous new markets.

The integration allows Titomic to provide turn-key cold spray solutions across the whole cold spray pressure range, research and development services via an in-house laboratory, software development and servicing, spare parts, and consumables for its systems in Europe, as well as a broader range of services to customers globally.

Repkon Joint Venture

Significant progress has been made with finalising the necessary documentation around the planned Joint Venture, aided by the strong relationship between both companies after Repkon's \$2.5 million strategic investment in Titomic in December 2021.

NEOS Joint Venture

Demonstrator components delivered in 2021 have performed well, and the Joint Venture discussions are progressing. Design work for the custom TKF System has been initiated, with the final design to be completed after the signing of the Joint Venture agreement.

Brauntell

The new broader Titomic portfolio has had an immediate impact on sales in Australia with Brauntell Australia ordering a D523 Cold Spray System in March for repair and coating activities in the mining sector. Brauntell has deep industry knowledge and market expertise to promote and offer asset sustainment services using Titomic's portable cold spray solutions.

MMI Space Grant

As part of our ongoing MMI Space Grant activities, we have continued our collaboration with Boeing to create parts with 'green' titanium. This is part of the \$2.325 million Australian government Modern Manufacturing Initiative grant to explore and commercialise the production of space vehicle and satellite parts.

Our ongoing collaboration with Australia's Nuclear Science and Technology Organisation (ANSTO) and Inovor around the development of our capability for radiation shielding of satellites has exhibited cost-effective high performance radiation hardening.

Triton

Titomic is producing a tool for Triton that has resulted from the continued engagement campaign in the US Defence, aerospace and energy sectors in partnership with Triton.

Corporate Update

Sanction compliance

Titomic sources all materials, consumables, and componentry in full compliance with sanctions imposed due to the conflict in Ukraine. There is enough capacity available in other countries to compensate for changes in the market.

ISO Certifications

During the quarter, the Company made progress in maturing its business systems, particularly in maintaining cybersecurity compliance.

Board changes

On 28 January, Mr Herbert Koeck was appointed to the Board as Managing Director, and Andreas Schwer at



the same time stepped down as Chairman but he continues as a Non-Executive Director. Humphrey Nolan, who has been a Non-Executive Director of the Company since July 2020, was elected as Chairman of the Board. In April, Jeff Lang resigned as Chief Technology Officer and retired as an Executive Director to pursue other opportunities. Jeff will remain as a Non-Executive Director until the AGM later this year when he will not stand for re-election to the Board.

Melbourne head office update

Titomic's new head office next door to its Melbourne manufacturing facility is now fully operational. The new office provides cost savings over the three-year tenure through reduced rent and other efficiency gains. It also provides a layout that facilitates increased productivity and more collaboration between the co-located sites.

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

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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 (CSAM) technology. Titomic provides CSAM solutions, OEM production and R&D services from its Melbourne Bureau to the global Aerospace, Defence, Shipbuilding, Oil & Gas, Mining and Automotive industries. Titomic also offers global sales and support for all of its CSAM activities from its Melbourne Head Office. 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.

