



AML3D Limited

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16 July 2024

ASX Compliance
Australian Securities Exchange Limited
Level 40, Central Park
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PERTH WA 6000

By email: ListingsCompliancePerth@asx.com.au

RESPONSE TO ASX AWARE LETTER

AML3D Limited (ASX: AL3 or 'the Company') responds to the letter received from the Australian Securities Exchange ("ASX") dated 11 July 2024.

In reference to the questions listed in the ASX aware letter:

1. No.
2. The receipt of a conditional purchase order is not information that a reasonable person would expect to have a material effect on the price or value of the Company's securities.

The conditional purchase order received on Thursday 27th June 2024 was subject to a number of conditions, including review of scope requirements, pricing and contractual terms and warranties, and acceptance testing. The conditional purchase order was able to be revoked by the customer at any time until agreement of the terms and acceptance of the purchase order by the Company.

3. N/A
4. N/A
5. N/A
6. AL3 is in compliance with the Listing Rules and in particular Listing Rule 3.1.
7. AL3's responses to the questions in the Aware Letter dated 11 July 2024 have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by the Board of AL3.

Please contact me if you have any further questions.

Yours Sincerely

Kaitlin Smith
Company Secretary



11 July 2024

Reference: 96463

Ms Kaitlin Smith
Company Secretary
AML3D Limited

By email: kaitlin.smith@aml3d.com

Dear Ms Smith

AML3D Limited ('AL3'): ASX Aware Letter

ASX refers to the following:

- A. AL3's response to ASX's price and volume query letter ('Price and Volume Query Letter') released on the ASX Market Announcements Platform ('MAP') at 12.53 PM on Friday, 28 June 2024 disclosing the following:
- (i) the change in the price of AL3's securities from a low of \$0.073 at close of trading on 26 June 2024 to an intraday high of \$0.105 at the time ASX's price and volume query letter was written;
 - (ii) In response to ASX's question *"Is AL3 aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?"* AL3 stated *"The Company is not aware of any information that has not been announced which, if known, could be an explanation for the recent trading in the securities"*; and
 - (iii) In response to ASX's request *"Please confirm that AL3 is complying with the Listing Rules and, in particular, Listing Rule 3.1"* AL3 stated *"The Company is in compliance with the ASX Listing Rules and in particular, Listing Rule 3.1"*.
- B. AL3's announcement titled *"\$1.1M ARCEMY System Sale to US Navy Component Supplier"* (the 'Announcement') released on the MAP as 'market sensitive' at 9.30 AM on Tuesday, 2 July 2024 disclosing the following:
- 1.1 *"AML3D Limited (ASX:AL3) ("AML3D" or "the Company") is pleased to announce a ~A\$1.1 million sale of a 2600 Edition ARCEMY® system ("ARCEMY® system") for use by US Navy component supplier, Laser Welding Solutions ("LWS")"*; and
 - 1.2 *"The purchase order for the ARCEMY® system has been received from BlueForge Alliance ("BlueForge"), which is activating its option to buy the ARCEMY® System that it currently leases for operation by LWS"*.
- C. The change in the price of AL3's securities from a low of \$0.096 at close of trading on Monday, 1 July 2024, immediately prior to the release of the Announcement to ASX, to an intraday high of \$0.245 at the time of writing this letter, Friday, 5 July 2024.
- D. AL3's response to ASX's aware query letter released on MAP at 9.24AM on Wednesday, 10 July 2024 ('Aware Query Letter') disclosing:
- (i) in response to ASX's question:
"Does AL3 consider the following information [referred to at subparagraphs B1.1 and B1.2 above], or any part thereof, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?"

AL3 stated:

"Yes. Not only was the ARCEMY System sale a material sale for the Company, but the election to purchase the previously leased system was directly related to previous announcements on 20 September 2023 and 20 May 2024"

(ii) In response to ASX's question:

"When did AL3 become aware of the information referred to [at subparagraphs B1.1 and B1.2 above]?"

AL3 stated:

"A conditional purchase order was received from BlueForge Alliance ('BlueForge') activating its option to buy the ARCEMY system that it currently leases for operation by US Navy component supplier, Laser Welding Solutions on the morning of Thursday 27th June 2024. The order was made available to management on Friday 28th June 2024. Purchase order contractual terms and scope were reviewed and issued to the US based customer on Monday 1 July 2024. Acceptance and confirmation of the order occurred on the morning (Australian time) of Tuesday 2nd July 2024 and an ASX announcement was made immediately and prior to market open."

(iii) In response to ASX's question:

"If AL3 first became aware of the information referred to [at subparagraphs B1.1 and B1.2 above] before the date of the Announcement, did AL3 make any announcement prior to that date which disclosed the information? If not, please explain why the information was not released to the market at an earlier time, commenting specifically on:

4.1 *when you believe AL3 was obliged to release the information under Listing Rules 3.1 and 3.1A;*

4.2 *why AL3 stated in its response to ASX's price and volume query letter that:*

4.2.1 *"The Company is not aware of any information that has not been announced which, if known, could be an explanation for the recent trading in the securities"; and*

4.2.2 *"The Company is in compliance with the ASX Listing Rules and in particular, Listing Rule 3.1"*

in circumstances where AL3 response to ASX's price and volume query letter is dated Friday, 28 June 2024 and the Announcement is dated Tuesday 2 July 2024; and

4.3 *what steps AL3 took to ensure that the information referred to in question 1 above was released promptly and without delay."*

AL3 stated:

"4.1 - AL3 was obliged to release the information immediately upon the purchase order becoming unconditional and accepted by both BlueForge and AL3, being Tuesday 2nd July 2024.

4.2.1 - At the time of the volume price query letter, AL3 was not aware of any information that had not been announced which if known could be an explanation for the recent trading in the securities other than the explanation provided in the volume price query response dated 28 June 2024 regarding investor relations activities.

4.2.2 - As per 4.2.1 above, at the time of the volume price query letter, AL3 was not aware of any information that had not been announced which if known could be an explanation for the recent trading in the securities other than the explanation provided in the volume price query response dated 28 June 2024 regarding investor relations activities. At the time of the volume price query, the

purchase order received from BlueForge was conditional and unaccepted with terms and agreement yet to be finalised by both the Company and the client.

4.3 – AL3 released the information immediately and without delay once the order was accepted by the client and AL3 on Tuesday 2nd July 2024”

E. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity’s securities.

F. The definition of “aware” in Chapter 19 of the Listing Rules, which states that:

“an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity.”

G. Section 4.4 in *Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B* titled “When does an entity become aware of information?”

H. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure as follows.

“3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:

3.1A.1 One or more of the following 5 situations applies:

- It would be a breach of a law to disclose the information;*
- The information concerns an incomplete proposal or negotiation;*
- The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- The information is generated for the internal management purposes of the entity; or*
- The information is a trade secret; and*

3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and

3.1A.3 A reasonable person would not expect the information to be disclosed.”

I. The concept of “confidentiality” detailed in section 5.8 of *Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B*. In particular, the Guidance Note states that:

“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it is no longer a secret and it ceases to be confidential information for the purposes of this rule.”

Request for information

Having regard to the above, ASX asks AL3 to respond separately to each of the following questions and requests for information:

1. Does AL3 consider the following information, or any part thereof, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?

-
- 1.1 *"A conditional purchase order was received from BlueForge Alliance ('BlueForge') activating its option to buy the ARCEMY system that it currently leases for operation by US Navy component supplier, Laser Welding Solutions on the morning of Thursday 27th June 2024" ('Conditional Purchase Order').*
2. If the answer to question 1 is "no", please advise the basis for that view.
 3. If AL3's response to question 1 is "yes", was AL3 relying on Listing Rule 3.1A as the basis for not announcing the Conditional Purchase Order at the time it received the Price and Volume Query?
 4. If the answer to question 3 is "no", please advise the basis for that view, commenting specifically on which Listing Rule AL3 was relying on to not announce the Conditional Purchase Order under Listing Rule 3.1.
 5. If AL3's response to questions 3 was "yes", please explain how AL3 could rely on Listing Rule 3.1A not to announce the Conditional Purchase Order at the time it received the Price and Volume Query in circumstances where trading in AL3's securities at the time the Price and Volume Query was sent by ASX suggested to ASX that the Conditional Purchase Order may have ceased to be confidential and therefore AL3 could no longer rely on Listing Rule 3.1A.
 6. Please confirm that AL3 is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
 7. Please confirm that AL3's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of AL3 with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **11.00 AM AWST Tuesday, 16 July 2024**.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, AL3's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out above and may require AL3 to request a trading halt immediately if trading in AL3's securities is not already halted or suspended.

Your response should be sent by e-mail to **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow us to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in AL3's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to AL3's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that AL3's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A. The usual course is for the correspondence to be released to the market.

Kind regards

ASX Compliance