

K-TIG SUCCESSFULLY WELDS ARMoured STEEL COUPONS CRITICAL TO THE AUSTRALIAN DEFENCE INDUSTRY

Highlights

- K-TIG has successfully completed stage one of its High Hardness Armour, HHA, welding trials and has successfully welded HHA 550 Armoured Steel coupons provided by Bisalloy Steel
- Proven weldability in High Hardness Armour without radiographic defects represents a key milestone in welding specialist defence steels that will maximise K-TIG's participation in upcoming Defence procurements, both nationally and internationally
- Welding independently radiographically tested and certified by Bureau Veritas
- Axiom, KTIG and Bisalloy progressing with the development of sovereign capability for Australian industry
- K-TIG has appointed Zhenyu Fei as its Manager Welding Research and Development. Zhenyu was a key researcher in the University of Wollongong's investigations into keyhole welding of armoured structures undertaken in conjunction with the Defence Materials Technology Centre, DMTC

K-TIG Limited (ASX: KTG) ("K-TIG" or the "Company") is a technology company deploying a full commercialised industry-disruptive high-speed welding technology. The Company is pleased to announce that it has achieved a key milestone successfully demonstrating the weldability of HHA 550 Armoured Steel coupons provided by Bisalloy Steel.

In achieving this milestone K-TIG has demonstrated that K-TIG's world leading keyhole welding technology can produce radiographically defect free welds on high strength armour. The parameters developed have utilised K-TIG's experience with welding commercial and specialist steels.

The weldability of the HHA 550 Armoured Steel coupons has been independently certified by Bureau Veritas.

The achievement of this key milestone follows the signing of the MOU with Axiom Precision Manufacturing and Bisalloy Steels (ASX:BIS) announced on 17 June 2020 to jointly develop a sovereign capability for the Australian Defence Industry.

Development of an Australian sovereign capability in the welding of specialist defence steels will allow Australian Industry to maximise its participation in upcoming Defence procurements, such as the third-phase of the Land 400 project, which will see the ADF's existing Australian Light Armoured Vehicle and M113 Armoured Personnel Carrier fleets replaced with new vehicles that deliver improved levels of firepower, protection and mobility. In aggregate, the upcoming scheduled Australian defence procurements is expected to result in \$1bn+ of spend in welding specialist defence steels.

Steels used in the fabrication of defence equipment have very specific metallurgical properties and unique mechanical characteristics. Maintaining the mechanical characteristics of the original steel during fabrication is critical and having demonstrated weldability, optimising the keyhole welding process to minimise any compromise in the mechanical properties of the base metal is the next stage in K-TIG's development program.

To further support K-TIG's expertise in the welding of armoured steels we are pleased to announce the recent appointment of Zhenyu Fei to the position of Manager Welding Research and Development. Zhenyu Fei is an acknowledged leader in the application of Keyhole welding in armoured steel, having researched the techniques for maintaining base metal mechanical properties. His PhD thesis, "In-depth welding procedure qualification of Keyhole Tungsten Inert Gas welded high hardness grade quenched and tempered steel and dissimilar stainless-steel joint" represents a seminal work in the field.

K-TIG Executive Director Adrian Smith said: "We are delighted to have achieved this key strategic and operational milestone and together with the appointment of Zhenyu Fei will add to the company's armed steel and carbon steel capabilities. We look forward to progressing with the development of Australian sovereign capability in the welding of specialist defence steels".

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

For more information, please contact:

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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.