

October 14, 2024

## ASX Announcement

### GENERAL BUSINESS

### ADDITIVE MANUFACTURING

Armaments  
Ballistic Protection  
Structures  
Tooling  
Embedded Sensors

### COATING & REPAIR

Metal Restoration  
Wear Resistance  
Corrosion Protection  
Conductive Coating  
Inductive Coating  
Radiation Shielding

## Titomic appoints Satellite & Aerospace veteran Jim Simpson as its next CEO

**Titomic Limited (ASX: TTT) ("Titomic" or the "Company")** the world's leading provider of cold spray solutions, announces that it has appointed Jim Simpson as the Company's new CEO effective January 1, 2025.

Jim Simpson will succeed CEO and Managing Director Herbert Koeck, who has informed the board that he intends to retire at the end of 2024. In the interim, Jim Simpson will assume the role as President of Titomic USA, Inc. and Deputy CEO of Titomic Limited. In addition, Dag W.R. Stromme will assume the role as Executive Chairman to assist with and facilitate the transition of Titomic to new leadership, as well as its expansion to the United States.

Jim has more than 40 years' experience in the Satellite, Aerospace, and Defense sectors having held leadership roles ranging from CEO of satellite companies Saturn Satellite Networks and ABS Corporation, to senior leadership positions at Virgin Orbit, Aerojet Rocketdyne, as well as Boeing. He possesses intimate know-how and in-depth experience within the U.S. national security, international, commercial, and civil space arenas.

Jim holds a B.S. and M.S. in Engineering from UCLA and an M.B.A. from USC. He is a member of the AIAA (American Institute of Aeronautics and Astronautics) and the Beta Gamma Sigma Business Honor Society.

"We are thrilled to welcome Jim to Titomic. Jim is a deeply experienced and respected leader in the Satellite and Aerospace sector, having served as both CEO of early stage companies as well as senior executive of established OEMs. He has a proven track record of driving growth, innovation and team building" said Stromme. "We look forward to working with Jim as he leads Titomic into its next phase of expanded product innovation and accelerating growth."

"The Board would like to thank Herbert Koeck for his strong leadership at Titomic since 2021, steering Titomic from an R&D focused company to a commercially focused cold spray company primed for growth. We are extremely grateful for Herbert's contribution and look forward to working with him in the transition period." added Stromme.

Jim Simpson commented, "I am honored to step into this leadership role at such a pivotal moment for Titomic. I believe Titomic's technology has unique value add to our end customers within select manufacturing processes as well as coating & repair. I look forward to driving innovation and manufacturing excellence as we support our customers in achieving their critical missions."

## TITOMIC

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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 (Cold Spray AM) technology. Titomic provides Cold Spray AM solutions, OEM production and R&D services to the global Aerospace, Defence, Shipbuilding, Oil & Gas, Mining and Automotive industries. Titomic also offers global sales and support for all of its Cold Spray AM activities from its Melbourne Head Office, as well as through local presence in the USA and Europe. Titomic delivers competitive advantages in metal additive manufacturing at every stage in the product value chain. For more information, please visit [www.titomic.com](http://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.

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## **SUMMARY OF KEY TERMS OF THE EXECUTIVE EMPLOYMENT AGREEMENT BETWEEN TITOMIC AND JAMES (JIM) SIMPSON**

Mr. Simpson will be based in Huntsville and be employed by Titomic USA, Inc. a 100% owned subsidiary of Titomic Limited and will be subject to U.S. employment law.

### **1. Commencement date**

Mr. Simpson has been appointed to the role of President of Titomic USA, Inc. commencing 14 October 2024 and Chief Executive Officer of Titomic Limited commencing 1 January 2025.

### **2. Term**

The initial term is for a period of three years with the ability to extend by mutual agreement of both parties subject to the termination provisions set out below.

### **3. Remuneration**

Mr. Simpson will commence on a base salary of US\$375,000 per annum. In addition to this Mr Simpson will be eligible to participate in Titomic's U.S. based benefits program including healthcare coverage and matching 401k contributions.

Mr. Simpson will be reimbursed US\$4,000 for insurance coverage.

### **Short Term Incentive (STI)**

Mr. Simpson will be eligible to earn up to 100% of his base salary in his first 12 months of employment. The STI will be payable 50% in cash and 50% in shares. Mr. Simpson will have a series of specific deliverables in year one in relation to sales targets and strategic partnering. Mr. Simpson can only earn the maximum STI should stretch targets be met.

Future STI's will be determined annually between the Board the Mr. Simpson.

### **Long Term Incentive (LTI)**

The LTI is an equity-based incentive under which Mr. Simpson will be entitled to 30,000,000 options over the initial three-year term (**Options**). 5,000,000 of the Options will be granted immediately but will only vest after completion of 12 months of service. The options shall have a strike price of \$0 and shall expire seven (7) years after granting if not exercised.

Thereafter, 5,000,000 Options will be granted on 11 October 2025 assuming Mr. Simpson is still employed and the Titomic stock price achieves a targeted



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Share Price equal to final issue price of the next equity issue plus 25%, have been met and maintained (based on 15 day VWAP). The options shall have a strike price of \$0 and shall expire seven (7) years after granting if not exercised.

An additional 10,000,000 Options will be granted on 11 October 2026 assuming Mr. Simpson is still employed and the Titomic stock price achieves a targeted Share Price equal to final issue price of the next equity issue plus 50%, have been met and maintained (based on 15 day VWAP). The options shall have a strike price of \$0 and shall expire seven (7) years after granting if not exercised.

An additional 10,000,000 Options will be granted on 11 October 2027 assuming Mr. Simpson is still employed and the Titomic stock price achieves a targeted Share Price equal to final issue price of the next equity issue plus 150%, have been met and maintained (based on 15 day VWAP). The options shall have a strike price of \$0 and shall expire seven (7) years after granting if not exercised.

#### **4. Termination**

Mr. Simpson's Executive Employment Agreement can be terminated in the following circumstances:

- By the Company, without cause, with 6 months' notice;
- By the Company, with cause, with no notice period; and
- By the Executive, for good reason, with 6 months' notice.

On any termination, any outstanding remuneration and accrued but untaken statutory entitlements are payable (to the extent required by law), together with reimbursement of expenses.

#### **5. Other**

Titomic will provide a company flat in Huntsville for Mr. Simpson and other senior company executives. Mr. Simpson is entitled to relocation expenses up to US\$50,000.

### **SUMMARY OF UPDATED TERMS FOR DAG W.R. STROMME AS EXECUTIVE CHAIRMAN**

#### **1. Commencement date**

Mr. Stromme has been appointed to the role of Executive Chairman commencing 14 October 2024

#### **2. Term**

Mr Stromme will serve as Executive Chairman for an interim period to help Titomic transition to its next era of leadership and expand its global business.

#### **3. Remuneration**



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Mr. Stromme will receive cash compensation of AUD275,000 per annum for his service as Executive Chairman in this interim period.



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