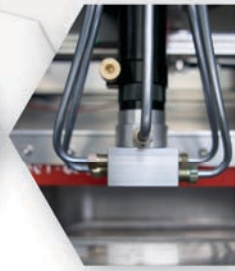
Aurora | LABS

Corporate Presentation: January 2017

WHAT DO YOU WANT TO BUILD TODAY?

CUTTING EDGE TECHNOLOGY ENABLING OPPORTUNITY

AURORA IS AN INDUSTRIAL TECHNOLOGY AND INNOVATION COMPANY THAT SPECIALISES IN THE DEVELOPMENT OF 3D METAL PRINTERS, POWDERS AND DIGITAL PARTS AND THEIR ASSOCIATED INTELLECTUAL PROPERTY.



www.auroralabs3d.com

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THE JOURNEY SO FAR

David Budge started working on 3D printing concepts over 20 years ago.

In August 2014, David founded Aurora Labs with Jessica Snelling and William Crisp.

David sought to use existing technologies in innovative ways to make an affordable 3D metal printer utilising the software programming skills of Jessica and Will. Thus the S-Titanium range of Small Format Printers were developed and improved over the 2014/2015 period.
In 2015, Aurora commenced pre-sales of the S-Titanium printers.

In mid 2016, Aurora began Beta testing of the S-Titanium printers in anticipation of commercial production.

In December 2016 first production S-Titanium printer is delivered.

Full production of S-Titanium began December 2016.

Production Line 2017

MARKET OPPORTUNITY

Global metal manufacturing was estimated to be a US$3.8 trillion industry in 2014[1].

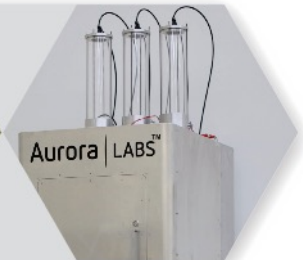
3D metal printing could potentially replace a large portion of traditional metal manufacturing.

3D printing industry market size was estimated to be approximately US$5 billion as at 2015[2] and forecast to increase to US$20 billion by 2020[3].

Prices of machines need to fall and / or speeds need to improve for large scale disruption to happen.

Aurora believes it has the **technologies that answer this need.**

1. The Business Research Company – Metal Manufacturing Global Market 2016
2. Source: Canalys 3D metal printing industry report commissioned by Aurora, April 2016.
3. Canalys, Global 3D printing market to reach $20.2 billion in 2019 0 Market expected to grow 56% in 2015, April 2015.



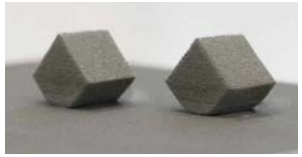
THE PROBLEM

Price is an important concern for many small businesses considering the transition to 3D metal printing. The price of most 3D metal printers starts in the vicinity of US$100,000+.

Slow speeds make 3D metal printing impractical to many businesses requiring a rapid turnaround of prints. It can often take several weeks or months to print a part.

Lack of flexibility in machine print modes result in sub-optimal outcomes. Competitor machines typically have one or two print modes.

TECHNOLOGICAL ADVANTAGE



Low Price – Aurora's 'S-Titanium range of Small Format printers currently retail for US$49,999 (excluding GST and shipping), which is affordable to most small business and research institutes.

Fast speeds – the Titan Large Format Printer is being designed to print up to one tonne of metal parts in 24 hours which is approximately 100 times faster than existing 3D printers on the market.

Print flexibility – Aurora's S-Titanium range of printers come with three print modes – SLS, SLM and DED.

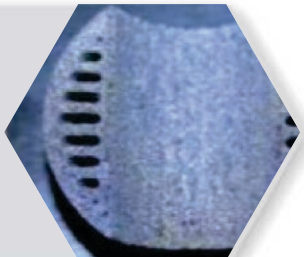
UNIQUE SELLING PROPOSITION

Aurora has developed **unique technologies** that give its printers competitive advantages in terms of cost and speed.

A creative and innovative team that thinks “outside the box” when it comes to solving complex problems.

Industry connections with some of the world’s largest companies and research institutions.

From left to right – Matt Taylor (MLA), David Budge (Aurora Labs), Nathan Henry (Aurora Labs), and Jessica Snelling (Aurora Labs)



INTERNATIONAL MARKETING PREPERATION

Extrapolating from the **32 pre-sold SFP printers** Aurora anticipate demand for 3D metal printers from **all corners of the globe** for **everything from medical implants to high tech horseshoes.**

To meet and service this demand Aurora are exploring various **service centre/distributorships** in Europe and Asia.

Aurora have received confirmation of acceptance of our **Laser Compliance Technical report** submitted to the US FDA-CDRH to facilitate **access to the US market**.

Aurora have submitted both the **Mechanical and EMC Technical Folio** to the EU authorities to allow use of the **CE Mark** on all S-Titanium printers for **import to the EU**.

WHO USES 3D METAL PRINTING?

In late 2016 **GE**, bought **Concept Laser** and sought to aquire **Arcam,** two 3D Metal printing companies for a combined total of approximately $1.4B to bolster the incorporation of 3D printing into their manufacturing stream[1].

Aurora was contacted on announcement of development of a very high speed 3D metal printer by **4 of the following 9 companies**.

Based on public announcements and Aurora's direct contacts, some of the major organisations that use 3D metal printing include:

BOEING
SPACEX
SIEMENS
Ford
AIRBUS
NASA
GE
ALCOA
GM

1. http://fortune.com/2016/10/27/ge-3d-printing-concept-laser/, http://www.businesswire.com/news/home/20161115006221/en/GE-Agrees-Purchase-Controlling-Shares-Arcam-AB

Note: Aurora Labs does not claim the above Companies endorsement

THE SMALL FORMAT PRINTER

- Full commercial production began in December 2016.
- **Aurora** manufacturers the S-Titanium Pro 300w 3D metal printer incorporating a number of **Patent Pending technologies**.
- **The machines print in three modes** (SLS, SLM and DED) whereas most competitor machines only print in one to two modes.
- Three independently controllable powder hoppers allow **flexibility in alloying and pseudo-alloys**.
- The print bed is one of the **largest on the market** at this price point.
- Likely to be one of the **cheapest 3D metal printers** on the market at a price of US$49,999.
- **Substantial interest** from global mining companies, universities, jewelry manufacturers, dentistry, prototyping and many other industries.

S-Titanium Pro beta machine

THE MEDIUM AND LARGE FORMAT PRINTERS

The 'Titan' Large Format Printer Prototype designed to prove out the LFP technologies is expected to be tested in Jan – Feb 2017. The full sized LFP is expected to print up to one tonne of metal parts in 24 hours, which is believed to be approximately 100 times faster than existing 3D printers on the market.

Aurora believes the 'Europa' Medium Format Printer and 'Titan' Large Format Printer can possibly replace a large percentage of traditional metal manufacturing.

The printers will be able to produce unusual shapes that are difficult to produce using traditional methods.

Aurora believes that the Large Format Printer will be especially beneficial to the mining, oil and gas industries that use numerous metal parts but do not wish to maintain vast stores of spare parts.

MILESTONES Achieved

CE Mark and FDA-CDRH - modified the design of the SFP for FDA-CDRH requirements to allow import of the S-Titanium to the US. Accepted and now included on the accession list allowing import into the United States.

The CE Mechanical and EMC Technical files have been completed and continue to be evaluated. Aurora's application for CE Mark approval is also pending.

First production S-Titanium delivered in December 2016, Aurora delivered the first production S-Titanium printer to an ex-Kickstarter purchaser.

International distribution - Aurora is currently negotiating the terms of several key distributorships including potential distributors in Europe and Asia. It is expected that these distributors will act as approved service centres for their regions. If the arrangements are concluded, first trainee is expected to be trained at Aurora's factory in February 2017.

MILESTONES – cont.

MFP/Large Format Printer prototype is on target.
Sub-systems were completed and tested at different times throughout the year. The full assembly, Prototype, machine is **expected to be tested between January and February 2017**.

Patent Applications - Continuing the pattern of innovation and intellectual property protection, Aurora has applied for **3 additional patents** in Australia and **4 additional patents under the Patent Cooperation Treaty (PCT)** over the past year.

Increasing resources and capacity - Aurora moved in August to a larger premises in Bibra Lake. With an area over 4 times what it had before giving enough room for current production and development.

Having begun 2016 with 3 full time staff and 1 part time employee, Aurora now has 21 full time staff with another 3 part time or casual employees and 1 contractor.

STRATEGIC ALLIANCE

Strategic alliance – Aurora Labs has signed a 12-month non-binding Term Sheet with **WorleyParsons Services** to develop parameters and enter into a commercial contract.

The four key objectives of the Term Sheet are (in summary):

Licence and Distribution

It is proposed that, through a non-exclusive licence and distribution agreement, Aurora's 3D metal printing machines and consumables (the **Products**) will be sold and distributed.

Design and Certification – 'Solutions Centre'

It is proposed to include the establishment of a business for the development of designs that can be purchased and used for the Products (the **Solutions Centre**). The designs created in the Solutions Centre will be hosted or form part of a broader online designs catalogue to be developed by Aurora.

Print Bureau

It is also proposed to include the establishment of a printing bureau whereby designs are printed for third parties using Aurora's machines, whether from the Solutions Centre or online catalogue of designs or from client supplied designs.

Powder Production

Opportunities to create a market for bulk and specialty powders to be used by Aurora's machines will also be explored.

THE NEXT PHASE

Sale of metal powders

- Aurora intends to develop a business unit for sale of powders to customers for use with its 3D printers.
- The Medium and Large Format printers are being designed to use powders to be supplied by Aurora, to ensure quality and original equipment manufactures (OEM) certified status. Each will require substantial powder.
- Aurora intends to investigate building its own powder production plant. Aurora currently supplies pure metal, alloy and cermet powders.
- Aurora is investigating designing and building a small scale pilot powder plant.

Pay-per-print

- Aurora intends to develop software allowing customers to search an online store of part designs and specifications.
- The store would allow customers to buy a one-off or multi print license to manufacture parts or components from an OEM.
- The software is intended to allow print build monitoring and shape conformity to allow certification of parts as meeting design criteria.

BOARD OF DIRECTORS

Paul Kehoe – Non Executive Chairman

- Paul is a former Managing Director of Syrah Resources (ASX:SYR).
- Oversaw the early development of the world class Balama graphite and vanadium deposit in Mozambique.
- Background in corporate finance, restructuring and geology.

David Budge – Managing Director

- Extensive experience in robotics, robotic welding, surfacing engineering, product development and manufacturing processes.
- Primary inventor of the majority of Aurora's inventions and Aurora co-founder.
- Prior to Aurora, David ran Advanced Industrial Manufacturing, a company which provided robotic welding and specialised technology solutions to the mining and oil and gas sectors.

John (Nathan) Henry – Executive Director

- Nathan's past roles have covered the full spectrum of process and business model development, new business development, technology implementation and roll out of distributed networks, market research and business planning.
- He has previously developed and led sales teams for market leading companies both in Australia and in the USA.
- He is responsible for developing the strategy and processes required for branding and marketing of Aurora's products and services.

Hendrikus (Dick) Herman – Non Executive Director

- Dick is a lawyer providing expert advice on commerical law matters.
- He has almost 20 years experience in legal and commercial roles and has handled matters for companies of all shapes and sizes, in Australia and overseas.
- He has also developed and maintained legal and risk compliance functions for companies.

Mathew Whyte–Company Secretary

- Bachelor of Business (Acc) from Curtin University; CPA, Fellow of Governance Institute of Australia
- Mr Whyte is a professional executive with over 23 years' experience in corporate administration and financial management of small to medium ASX listed entities.
- He has Company Secretarial and CFO experience on WA based ASX Listed Mining, Biotech and Renewable fuel generation industries.

SENIOR MANAGEMENT

Jessica Snelling – Printer Development Engineer

- Jessica is a co-founder of Aurora. She has a Bachelor of Computing and Mathematical Science from the University of Western Australia.
- She has a background in computer and mathematical sciences.
- Her primary responsibility at Aurora is developing solutions to problems with design and proving the systems prior to approving designs for production.

Allan Ravitch– Production Manager

- Allan Ravitch holds a Bachelor of Applied science (B.A.Sc) from California State Polytechnic University. His professional background includes over 20 years of lean manufacturing management working for leading edge high technology organisations including a Fortune 500 company. He has assisted in scaling up manufacturing lines from a small start up in Sydney to large factories throughout Oregon and California.
- He is responsible for production of Aurora's products and ensuring they meet key targets in the growth cycle of the business.

Rob Brown – Design and Modeling Developer

- Rob has been working in the field of machine design and realisation for close to 20 years.
- His skills in SolidWorks© modelling, AutoCad© drawing , microcontroller hardware, software design and qualification as a certified welding inspector make Rob a key contributor to the design team.

FINANCIALS

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Notes	30 June 2016 $	30 June 2015 $
Assets			
Current Assets			
Cash and cash equivalents	7	2,353,226	48,133
Trade and other receivables	8	90,905	48,996
IPO prepayments	9	130,801	-
Inventories	10	103,898	-
Total Current Assets		2,678,830	97,129
Non-Current Assets			
Property, plant and equipment	11	12,773	783
Intangible assets	12	59,947	7,220
Total Current Assets		72,720	8,003
Total Assets		2,751,550	105,132
Liabilities			
Current Liabilities			
Trade and other payables	13	254,282	50,013
Deferred revenue	13	306,743	199,967
Accrued annual leave	13	26,579	-
Share subscriptions received	13	2,109,160	-
Total Liabilities		2,696,764	249,980
Net Assets/(Liabilities)		54,786	(144,848)
Equity			
Issued capital	5(a)	1,365,625	84,625
Reserves	5(c)	57,500	20,000
Accumulated losses		(1,368,339)	(249,473)
Net Equity (Deficiency)		54,786	(144,848)

The accompanying notes form part of these financial statements.

Aurora Labs Ltd.

Annual Financial Report

30 June 2016

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Financial Position June 2016

Annual Financial Report - 30 June 2016

CAPITAL STRUCTURE NUMBER

SECURITY TYPE	AMOUNT
Ordinary shares on issue - quoted 22,739,304*	**55,000,000**
Class A Performance shares[1]	6,300,000
Class B Performance shares[2]	7,087,500
Class C Performance shares[3]	7,612,500
Total Performance shares on issue	**21,000,000**
Total options on issue[4]	**11,475,000**
Directors and management hold **29,285,214** of shares on issue (**53.2%** of the ordinary shares)	
Directors and management purchased **1,555,000** of shares at 20 cents in the IPO	
*Total restricted shared (held in escrow) - 32,260,696 or **59%** of the ordinary shares on issue	

TOP 10 SHAREHOLDERS

HOLDER NAME	%	No
MR DAVID J BUDGE	43.5%	1
GASMERE PTY LTD	4.9%	2
MR PAUL KEHOE (ENTITIES)	3.8%	3
MR WILLIAM M CRISP	2.7%	4
MR PETER ANTHONY	2.6%	5
MRS JESSICA C E SNELLING	2.4%	6
CITICORP PTY LTD	2.4%	7
MR JOHN NATHAN HENRY (+ RELATED ENTITIES)	1.7%	8
KACHA PTY LTD	1.7%	9
MR ANTHONY R BAILLIEU	1.0%	10

1. To convert to ordinary shares on achieving cumulative revenue of A$1.5 million before 30 June 2017.
2. To convert to ordinary shares on achieving cumulative revenue of A$5.5 million before 30 June 2018.
3. To convert to ordinary shares on achieving cumulative revenue of A$7.25 million before 30 June 2019
4. 11,250,000 Exercisable at 20 cents/Expiring on 31 December 2018: 225,000 Exercisable at A$2.23/Expiring 30 November 2019

IN THE PRESS

"When I first started in this field it was very novel, the 3D printing has undergone many changes since then and we are finally on the cusp of a major breakthrough in large-scale metal printers. Over the last year I've worked with a Perth-based start-up Aurora Labs, who is at the forefront of 3D printing globally." – Professor Tim Sercomb (University of Western Australia) reported in UWA news (Article: UWA working on transformational 3D printing).

"Budge has already fielded offers from parties interested in buying the startup outright, but he says they're not ready for that. Particularly as 3D printing is on the cusp of becoming commonplace in manufacturing." (startupsmart.com.au)

"As a 15-year-old, David Budge dreamed of working for NASA. So when the space agency contacted his tiny, nondescript warehouse office in Myaree and asked to buy one of his 3-D printers, he was able to tick one thing off his bucket list. Add Siemens, Alcoa and Airbus to the list and the self-described robotics fanatic reckons he is onto a good thing." – NASA calls on 3-D printer maker (The West Australian newspaper).

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Company Update: January 2017

WHAT DO YOU WANT TO BUILD TODAY?

THANK YOU FOR YOUR INTEREST

CONTACT US:

DAVID BUDGE MANAGING DIRECTOR david@auroralabs3d.com

NATHAN HENRY EXECUTIVE DIRECTOR nathan@auroralabs3d.com

MATHEW WHYTE COMPANY SECRETARY mathew@auroralabs3d.com