



ASX Announcement

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Non-Executive Director
ASHLEY ZIMPEL

CEO
REBEKAH LETHEBY

Aurora Labs Quarterly Report and Appendix 4C for Q1 FY23

Highlights:

- **Completion of AL250 detailed design**
- **Commencement of AL250 printer build**
- **Master Services Agreement signed with Chevron, as one of the world's leading oil and gas companies**
- **Continued partnership discussions complimented by print service delivery and MCP technology investigations**

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ASX CODE: A3D
ACN: 601 164 505

Aurora Labs Limited ("A3D" or "the Company") (ASX:A3D), wishes to provide its quarterly report to shareholders and appendix 4C for Q1 FY2023.

Commenting on Q1, 2024 activities, CEO Rebekah Letheby said:

"I am excited by the team's energy in this new phase of machine building. We have the ability to utilise our bidirectional printing as powered by hybrid MCP and will be looking forward to demonstrating the machine to customers in 2024. We also continue to pursue defence and resources industry engagements to strengthen our business fundamentals. In doing so we have been preparing for the IndoPac defence conference where we will showcase our ability in printing services, and promote our new machinery as some of the most productive metal printers available."

AL250 Commercial Printer Design and Build

Aurora was pleased to announce that the comprehensive design phase of the AL250 printer neared its finalisation in during the quarter, with the detailed design reaching 100% completion in early October. This significant achievement, coupled with the acquisition of the first set of procured components for the initial build, marks a highly anticipated milestone in our journey. This project is entwined with the Company's overarching commercialisation strategy, demonstrating A3D's proficiency in developing printers that not only align with industry requirements but also present a compelling proposition, featuring robustness and high-powered laser capabilities that are well suited for industrial applications.

The AL250 remains a primary focal point for the utilisation of our Multilayer Concurrent Printing (MCP) intellectual properties. A key advantage of MCP lies in its unique ability to facilitate the simultaneous deposition of powder on multiple layers, enhancing productivity markedly. Additionally, the inclusion of the oscillating powder doser, designed in house, fitted to the AL250 serves to condition powder through the application of heat and assists in the uniform



distribution of irregular or regular shaped powders to the powder bed. This machine will maintain high powered laser capabilities, offering both dual and single laser configurations, with the option to utilise either one 1500W laser or two 1500W laser power sources, enabling efficient and productive printing.

The full technical specifications of the AL250 printer have now been launched to the A3D website.

Our immediate focus in the quarter once the design completed, has now shifted towards the initial assembly of the machine frame. This phase will assess the fitment and configuration of parts, ensuring seamless operation. While our efforts to commercialise the printer and engage industry partners remain resolute, the manufacturing of the first sales units are contingent upon the procurement of sales orders. The first built machine will be fully deployed within our print services business to support our ongoing services expansion.



Figure 1: AL250 General User Interface showing internal build chamber (CONCEPT ONLY)



Printing Services

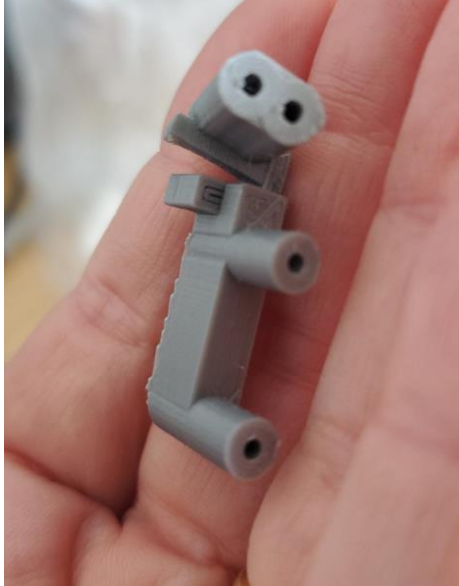


Figure 2: Surgery Guide

Aurora's print services business continues to diversify its customer base, fortifying its presence in the printing services market. The recent emphasis on resource and defence sector customers aligns well with our strengths, as these clients possess an in-depth understanding of additive manufacturing processes. Our business development team is committed to enhancing our value proposition for industry clients and has successfully secured the Chevron Master Services Agreement, a pivotal step in the continued growth of the print services business. Engagement within the defence sector reflects a strong desire to harness a range of 3D printing technologies, particularly laser powder bed fusion (LPBF), which offers advantages such as generative design, lightweighting of parts, access to new metal alloys (materials) for experimental components, and the ability to produce legacy parts for aging fleets, all of which are in line with the government initiatives which fit within Australia's Strategic Defence Review of 2023.

The business continues to engage with the Office of Defence Industry Support (ODIS) who have assisted in enabling the Company's entry into the defence sector. Notably, we have made significant progress in assisting defence customers in integrating additive manufacturing processes into their product lines, capitalising on engineering design capabilities and looking to simplify highly complex geometries to reduce part numbers. One focus has been on components for unmanned aerial vehicles.

Design for Additive Manufacturing (DfAM) and sample printing activities for various parts have been completed during the quarter feeding into a strong print pipeline for the next quarter. These design activities remain closely aligned with discussion and requirements of potential customers and partners. A particular interesting project from the quarter involved the production of animal implants and surgery guides to facilitate implant positioning, in collaboration with experts in the veterinary sector.

A small team will represent A3D at the Indo Pacific International Maritime Conference next month, the premier event in the region as a platform for engaging with international industry leaders in maritime defence. This event enjoys strongly supported by the Royal Australian Navy and the Australian government and many defence primes.

Technology Development and Partnerships

Aurora has been actively pursuing partnerships, with a particular focus on distributorships and industry partners who will gain great use from the AL250's productivity. Additionally, we have revitalised our efforts to commercialise our printing technology MCP. The initial steps toward commercially demonstrating this technology involve bidirectional printing in the AL250, powered by our MCP innovations.

Alongside this step, A3D in response to industry demand, continues to explore the prototyping of customised laboratory scale MCP systems, designed to support printing areas substantially larger than current laser bed fusion



printers. Early -stage simulations of user specified machine configurations that leverage A3D's patented MCP technology are in progress, complementing our ongoing partnership discussions. During the quarter, several patents, both in the US and Europe, have been granted, underscoring our commitment to technological advancement in the additive manufacturing arena. US (US20180162046A1) and (US11685112B2) and in Europe: DE, FR, GB, NL, (EP3634757A1)

Corporate, Finance and Cash Position

During the quarter, A3D witnessed a change in leadership with the departure of CEO Peter Snowsill, and the appointment of interim CEO Rebekah Letheby, a longstanding member of our team.

Total related party payments for the period were \$70,000 comprising director fees paid from the approved pool of fees as approved by shareholders and Company Secretarial Fees.

During the quarter, A3D received a R&D tax incentive refund of \$589,500ⁱⁱ

On 30th September 2023, the Company's cash at bank and on deposit was approximately \$610,000.

The Company's Annual General Meeting will be held on 29th November 2023. We look forward to sharing further updates and insights with our valued shareholders.

Ends

Approved for release by the Company's Board of Directors.

For further information, please contact: Rebekah Letheby, Chief Executive Officer

+61 (0)8 9434 1934 or by email enquiries@auroralabs3D.com

ABOUT AURORA LABS

Aurora Labs Limited ("the Company"), an industrial technology and innovation company that specialises in the development of 3D metal printers, powders, digital parts and their associated intellectual property.

Aurora Labs is listed on the Australian Securities Exchange (ASX: A3D)

FORWARD LOOKING STATEMENTS

This announcement contains forward-looking statements which incorporate an element of uncertainty or risk, such as 'intends', 'may', 'could', 'believes', 'estimates', 'targets' or 'expects'. These statements are based on an evaluation of current economic and operating conditions, as well as assumptions regarding future events.

These events are, as at the date of this announcement, expected to take place, but there cannot be any guarantee that such events will occur as anticipated or at all given that many of the events are outside Aurora's control.

Accordingly, Aurora and the directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur. For further information, please contact: enquiries@auroralabs3D.com

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Aurora Labs Limited (ASX: A3D)

ABN

44 601 164 505

Quarter ended ("current quarter")

30 September 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	110	110
1.2 Payments for		
(a) research and development	(61)	(61)
(b) product manufacturing and operating costs	(7)	(7)
(c) advertising and marketing	(7)	(7)
(d) leased assets	(29)	(29)
(e) staff costs	(668)	(668)
(f) administration and corporate costs	(358)	(358)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives	589	589
1.8 Other		
1.9 Net cash from / (used in) operating activities	(431)	(431)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment	(3)	(3)
(d) investments		
(e) intellectual property		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(f) other non-current assets		
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other		
2.6	Net cash from / (used in) investing activities	(3)	(3)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities) (See Note 1 below)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings	620	620
3.6	Repayment of borrowings	(536)	(536)
3.7	Transaction costs related to loans and borrowings	(27)	(27)
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	57	57

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	987	987
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(431)	(431)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3)	(3)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	57	57
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	610	610

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	610	987
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	610	987

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(70)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities		
7.2	Credit standby arrangements (credit cards)		
7.3	Other (please specify)		
7.4	Total financing facilities		
7.5	Unused financing facilities available at quarter end		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(429)
8.2	Cash and cash equivalents at quarter end (item 4.6)	610
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	610
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.42 quarters
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>		
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
<p>Answer: Yes. The Company anticipates that it will continue to experience negative cashflows as operational and R&D expenditures continue to outstrip revenues from production activities for the foreseeable future.</p>		
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
<p>Answer: The Company remains capable of undertaking a capital raising via equity issues or debt funding to fund the existing business operations as and when required. It is confident that any such capital will be undertaken in the context of the prevailing market conditions and will be successful.</p>		

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes. The Company believes it will continue to operate on a going concern basis by using existing funds and proceeds from fundraising initiatives.

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31st October 2023

Authorised by: .The Board of Directors

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – e.g. Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.