

Aurora advances its Powder Production Unit development

Highlights:

- **Aurora begins testing parameters for powder production in its Powder Production Unit.**
- **This is a necessary first step to commercial powder production.**
- **Significant opportunity due to the size of the market and the international demand for metal powders, in addition to the potential demand generated by the Large Format Printer.**
- **International patenting of the powder production process is ongoing.**

Aurora Labs Limited (“Aurora” or “the Company”) (ASX:A3D), is pleased to announce progress with development of its prototype Powder Production Unit (PPU). The PPU has now had all critical subsystems tested and have commenced testing, using various parameters, for the production of powder.

The Company’s proprietary ‘patent pending’ powder production technology represents a significant advance beyond current powder production processes if development is successful, potentially offering substantially lower production costs plus tightly controlled powder sizes and characteristics.

If related patent applications are granted, the Company will then have secured a valuable competitive edge. Typically, the patenting process may take several years to reach a firm conclusion of either rejection or grant of a patent.

This new technology will potentially allow Aurora to produce metal powders at large volumes and at a competitive price compared to existing processes used by other powder manufacturers. As announced on 1 March 2018, the Company completed the build and testing of its proof of concept Powder Production Unit (PPU). This next step of powder production parameters development, under various conditions, has begun and will be an ongoing process.

This milestone could ultimately allow Aurora to move into the development of various consumable powders that will benefit Aurora’s Large Format Technology. The Company expects the high volume powder production to meet the demand created by the anticipated high utilisation of consumables by the MFP and LFP once developed.

POWDER PRODUCTION UNIT DEVELOPMENT TIMELINE



Aurora will also be exploring business models and commercial opportunities in international markets where there is a large demand for metal powders in markets not related to 3D printing. For example, the Company may target major markets including powders for Metal Injection Moulding (MIM), powder metallurgy, laser cladding and thermal spray. Revenue from the combined global metal powders market was \$3,479 million in 2016, it is expected to grow at a CAGR of 3.72%. by 2021 when it is projected to reach \$4,175.5 million.¹

As a part of this process Aurora is renewing discussions with a number of Global powder manufacturers with a view to potentially involving them in the commercialization of this new technology.

Subject to successful testing, during calendar year 2018, Aurora intends to build a full sized powder production unit capable of producing high volumes of powder. As targets along the timeline are reached they will be announced to the market with detailed explanations around why they are important steps.

David Budge, Managing Director, commented:

"We are progressing very rapidly with our powder development as we see the extensive opportunity here readily available. Metal powder production is critical to the mass adoption of metal 3D printing for manufacturing and our progress will open up a considerable market for us to tap into, as a single powder production unit could potentially produce up to 5 tonnes of powder per day.

"There are obvious synergies between metal powder production and the potential demand created by additive manufacturing, such as with our Large Format Printer, and we intend to capitalise on this opportunity."

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

¹ Technavio – Global Metal Powders Market 2016 -2021, pg 28

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

ABOUT AURORA LABS

Aurora Labs Limited ("the Company") ([ASX:A3D](#)), 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](#)).

To learn more about Aurora Labs please visit: www.auroralabs3d.com

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AURORA LABS LTD

Principal Address 2/79 Bushland Ridge, Bibra Lake, WA 6163 Postal Address PO Box 1531, Bibra Lake DC, WA 6965

Telephone +61 8 9434 1934 Email enquiries@auroralabs3d.com ACN 601 164 505 ASX Code A3D