



ASX Announcement

CORPORATE DIRECTORY

Chairman
GRANT MOONEY

Non-Executive Director
MEL ASHTON

Non-Executive Director
TERRY STINSON

Non-Executive Director
ASHLEY ZIMPEL

CEO
PETER SNOWSILL

Aurora Labs Quarterly Report and Appendix 4C for Q1 FY23

Highlights:

- Completion of Print Demonstration Campaign, with successful early test results received.
- Growing print service pipeline across mining, oil and gas and equipment OEM's.
- Continued partnership discussions complimented by machine purchase, print service delivery and grant funding investigations.

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

CONTACT DETAILS

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Commenting on Q1 activities, CEO Peter Snowsill said:

"I am pleased by our team's completion of the Print Demonstration Campaign, and recognise the intensive body of work, resultant significant learning and encouraging initial successful test results achieved. With this work completed, we've been able to progress our print services work, completing several prints for mining clients and local OEMs in various materials. These successes demonstrate the value of our technology to partners, the capability of our team and compliment our ongoing integrated customer and partner engagements to strengthen our business fundamentals."

ASX CODE: A3D
ACN: 601 164 505

Print Demonstration Campaign

The completion of Aurora's print campaign was announced in Septemberⁱ. The project is closely linked to the Company's commercialisation strategy and demonstrates A3D's ability to repeatedly produce printed material that meets draft SAE International aerospace standards. Globally, A3D will be the first to achieve this status at 1500W laser power.

Since the quarter's completion, Aurora has received successful results from the first batch of testing, demonstrating that following post print heat treatment, the tensile, density and microscopy results for the printed material meet the criteria of the AMS7036ⁱⁱ draft standard. Aurora is assessing cost effective options to complete the remaining test work. Based on analysis of extensive logging data collected from the printer throughout the campaign, Dr Kevin Slattery from The Barnes Global Advisors stated, "Aurora's machine demonstrated a high degree of reliability, which shows that their design and technology will be able to deliver what the industry expects in terms of uptime."

Printing Services

Aurora's print services continue to build momentum, with prints being delivered into service within the mining and defence industries. The Company has established a business development team to ramp up the print services business resulting in growth in print inquiries.

Engagement within the resources and energy sectors, equipment OEM's and maintenance providers has also increased, as companies are actively looking to 3D printing as a solution to overcome supply chain issues, reduce their carbon footprint and ensure operational continuity.

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.

Partnerships

Aurora continues to explore the option of forming a partnership to commercialise its printing technology. Parallel activities including engagement with potential machine buyers, exploration of print service delivery models with end-users and service providers, assessment of grant funding options, and early-stage simulation of user specified machine configurations to utilise A3D's patented MCP technology are progressing and compliment ongoing partnership discussions.

As previously advised in last quarter's announcement, a review of the Additive Now Joint Venture is underway to improve cost efficiency and service delivery effectiveness.

Commercial Printer Design

Design progression has continued throughout the quarter in parallel to the Print Campaign and Print Services work. Two designs are being progressed to offer to the market: a small single laser platform suitable for advanced R&D applications that utilises A3D's high power printing technology, and a larger format machine for serial part production. Design activities continue to be guided by potential customer and partner discussions.

Corporate, Finance and Cash Position

There were no related party payments for the period other than the director fees paid from the approved pool of fees as approved by shareholders of \$82,000.

As announced during the quarter, A3D received a R&D tax incentive refund of \$737K. ⁱⁱⁱ

At 30th September 2022, the Company's cash at bank and on deposit was approximately \$1.76 million.

Commercial Manager Matt Lester will represent the Company at the World's leading additive manufacturing conference FormNext in Germany next month.





The Company's Annual General Meeting will be held on Monday 31 October 2022.

Ends

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

For further information, please contact: Peter Snowsill, 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

ⁱ Refer A3D ASX Announcement 7 September 2022 "Successful Completion of Print Demonstration Campaign"

ⁱⁱ Laser-Powder Bed Fusion (L-PBF) Produced Parts, Steel, Corrosion and Heat Resistant 17Cr-13Ni-2.5Mo (316L), Hot Isostatic Pressed AMS7036

ⁱⁱⁱ Refer A3D ASX Announcement 23 September 2022 "R&D tax incentive refund received"

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 2022

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	4	4
1.2 Payments for		
(a) research and development	(43)	(43)
(b) product manufacturing and operating costs	(6)	(6)
(c) advertising and marketing	(5)	(5)
(d) leased assets	(27)	(27)
(e) staff costs	(625)	(625)
(f) administration and corporate costs	(220)	(220)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid	(2)	(2)
1.6 Income taxes paid		
1.7 Government grants and tax incentives	737	737
1.8 Other		
1.9 Net cash from / (used in) operating activities	(187)	(187)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		
(d) investments		
(e) intellectual property		
(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
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.	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		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,947	1,947
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(187)	(187)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(1)	(1)
4.6	Cash and cash equivalents at end of period	1,759	1,959

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	1,759	1,947
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)	1,759	1,947

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	(82)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>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.</i>		

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
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)	(187)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,759
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	1,759
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	9.4 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?	
Answer:	
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?	
Answer:	
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:	
<i>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.</i>	

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: 25 October 2022

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 – eg 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.