



## Aurora Labs Limited (A3D)

ABN 44 601 164 505

### Appendix 4D – Half Year Report for six months ended 31 December 2022

**1. Details of reporting periods:**

**Current reporting period** : Six (6) months to 31 December 2022

**Previous corresponding period** : Six (6) months to 31 December 2021

**2. Results for announcement to the market:**

|   | Six Months<br>31 December 2022<br>\$ | Six Months<br>31 December 2021<br>\$ | % Change         |
|---|--------------------------------------|--------------------------------------|------------------|
| Revenues                                | 63,250                               | 15,081                               | <b>UP 319%</b>   |
| Loss after tax                          | (1,693,525)                          | (1,781,074)                          | <b>DOWN 4.9%</b> |
| Loss after tax attributable to members. | (1,693,525)                          | (1,781,074)                          | <b>DOWN 4.9%</b> |

Commentary on the above figures is included in the attached Interim Financial Report for the half year ended 31 December 2021.

**3. Statement of comprehensive income**

Refer to attached Interim Financial Report for the half year ended 31 December 2022.

**4. Statement of financial position**

Refer to attached Interim Financial Report for the half year ended 31 December 2022.

**5. Statement of cash flows**

Refer to attached Interim Financial Report for the half year ended 31 December 2022.

**6. Statement of changes in equity**

Refer to attached Interim Financial Report for the half year ended 31 December 2022.

**7. Dividend payments**

Not applicable.

**8. Dividend reinvestment plans**

Not applicable.

**9. Net tangible assets per security**

|   | 31 December 2022<br>Cents |
|---|---------------------------|
| Net tangible assets per ordinary security | <b>0.6</b>                |

**10. Gain or loss of control over entities**

Not applicable.

**11. Associates and joint ventures**

Not applicable.

**12. Other significant information**

Not applicable.

**13. Foreign entities**

Not applicable.

**14. Status of audit**

The Interim Financial Report for the half year ended 31 December 2022 has been audit reviewed and is not subject to dispute or qualification.



**Aurora Labs Limited**

ABN 44 601 164 505

**Interim Financial Report  
For the Half-Year 31 December 2022**

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**CORPORATE DIRECTORY****ABN 44 601 164 505****Directors**

Grant Mooney  
Terry Stinson  
Ashley Zimpel  
Mel Ashton

**Company secretary**

Grant Mooney

**Registered Address and Principal****Place of business**

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Canning Vale WA 6155  
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Email: [enquiries@auroralabs3d.com](mailto:enquiries@auroralabs3d.com)  
Website: [www.auroralabs3d.com](http://www.auroralabs3d.com)

**Solicitors**

Thomson Geer  
Level 27, Exchange Tower  
2 The Esplanade  
Perth WA 6000

**Patent Attorneys**

Lord & Company  
4 Douro Place  
West Perth WA 6005

**Bankers**

ANZ Bank  
Riseley Centre  
1/35 Riseley Street  
Booragoon WA 6154

**Auditors**

HLB Mann Judd (WA Partnership)  
Level 4, 130 Stirling Street  
Perth WA 6000

**Share Registry**

Automic Group  
Level 5, 126 Phillip Street,  
Sydney NSW 2000

**Securities Exchange**

Australian Securities Exchange Limited

**ASX Code**

A3D

## DIRECTORS' REPORT

The Directors present their report together with the financial statements for Aurora Labs Limited (the "Company" or "Aurora") and its subsidiaries (the "Group") for the half year ended 31 December 2022.

### Directors

The names of directors who held office during or since the end of the interim period and until the date of this report are as follows.

|               |   |
|---------------|---|
| Grant Mooney  | Non-Executive Chairman<br>Company Secretary |
| Terry Stinson | Non-Executive Director                      |
| Ashley Zimpel | Non-Executive Director                      |
| Mel Ashton    | Non-Executive Director                      |

Unless otherwise disclosed, all directors held their office from 1 July 2022 until the date of this report.

### Principal Activities

The principal activities of the Group during the period include the design and development of proprietary 3D metal printers, metal powders, digital parts, provision of print services, and associated intellectual property development.

### Review of Operating Results and Financial Conditions for the period

The comprehensive loss of the Group for the financial period, after providing for income tax amounted to \$1,693,525 (December 2021: \$1,781,073). The Group had \$888,198 in cash assets on 31 December 2022 (31 December 2021: \$3,929,352).

### Review of Operations

Aurora Labs Limited (A3D), is an Australian industrial technology and innovation company that specialises in the provision of 3D print services, development of 3D metal printing technology and its associated intellectual property.

A3D is developing a suite of market leading technologies, with its flagship high laser power printing package ready to commercialise in 2023. The package is primed to service the market for an affordable, industrial grade, high productivity, high accuracy 3D metal printer, competitive with traditional metal manufacturing on a cost-effective basis.

High productivity, on demand printing is a potential solution for local industry facing supply chain challenges in the current climate. A3D is actively engaging with printed part end-users and potential technology partners locally and globally to achieve those goals.

A3D continues to protect the unique Multi-layer Concurrent Printing (MCP™) technology through global patent coverage as part of the longer-term commercialisation strategy. This is driven by the Additive Manufacturing (AM) industry's steady progression towards industrialisation that requires high productivity systems, strongly aligned to A3D's high-power and MCP™ technologies.

A3D fosters a robust discovery culture in its highly skilled team of in-house specialists, is active in engaging with AM research in Australia and is enthusiastic about the future of AM in the wider industrial technology community.

Highlights during and since the end of the period are as follows:

- Completed Print Demonstration Campaign to become first in the world to meet draft SAE International aerospace standards at 1500W laser power,
- Increased industrial print services traction demonstrated by approximately \$80,000 purchase orders,
- AdditiveNow JV review undertaken to improve cost efficiency and service delivery effectiveness,
- Global patent protection for MCP™ technology extended through acceptance of US patent application,
- Commercialisation partnership discussions continuing with global companies based in US, Asia and Australia,
- Renewed interest in the exploration of MCP™ for bespoke large-scale production systems,

## DIRECTORS' REPORT (CONTINUED)

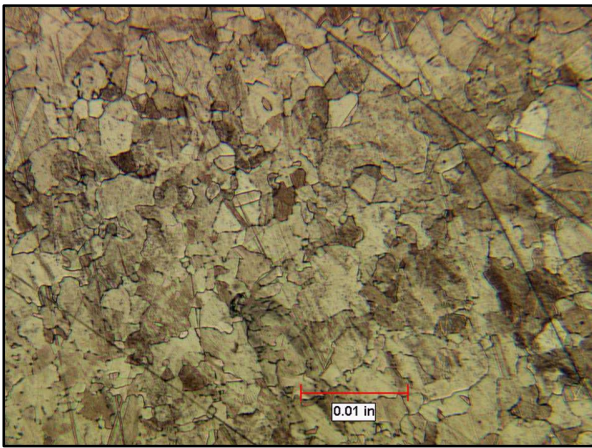
### Review of Operations (Continued)

Highlights during and since the end of the period are as follows (continued):

- Progression of commercial printer design and initial proposals submitted for single high power laser machines,
- A3D leadership team strengthened through addition of Technology Manager and Commercialisation and Corporate Development Manager, and
- \$737,000 R&D tax incentive refund received.

### Print Demonstration Campaign

Aurora's print campaign 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. Upon completion of the campaign, A3D became the first globally to achieve this status at 1500W laser power.



The concluded analytical test work demonstrates the printed material exhibits the necessary material properties post heat treatment to meet draft AMS7036 Standards. This is an excellent result as material density, ductility and ultimate tensile strength exceeded the required values. X-ray analysis also reported that no indications exceeded standard limits, meeting the requirements of the standard.

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."

*Representative microscopy images of the produced material (x50 magnification)*

### Industrial Print Services

Aurora's print services have been expanded to incorporate Design for Additive Manufacturing (DfAM), 3D scanning, high temperature 3D plastic printing and active marketing of A3D's own 3D metal printing technology. Inquiries and purchase orders have increased due to the establishment of a business development team, resulting in approximately AU \$80,000 of orders in the December quarter, across Oil and Gas, Medical, Power Generation and Defence applications. Printing was completed for half of these orders by the end of the period, including the SpiroPak structured packing for the Curtin University project supported by the Federal Government's Accelerating Commercialisation program.

Engagement within the resources, energy and defence sectors, equipment OEM's and maintenance providers continues to grow, including completion of vendor registration processes, preparation of print quotations and investigation of the set-up of master service agreements for ongoing print service delivery across Oil & Gas and Maritime sectors, and fluid and flow control engineering OEMs. Immediate recent evidence of this progress has been seen post quarter, with the Woodside qualification print order.



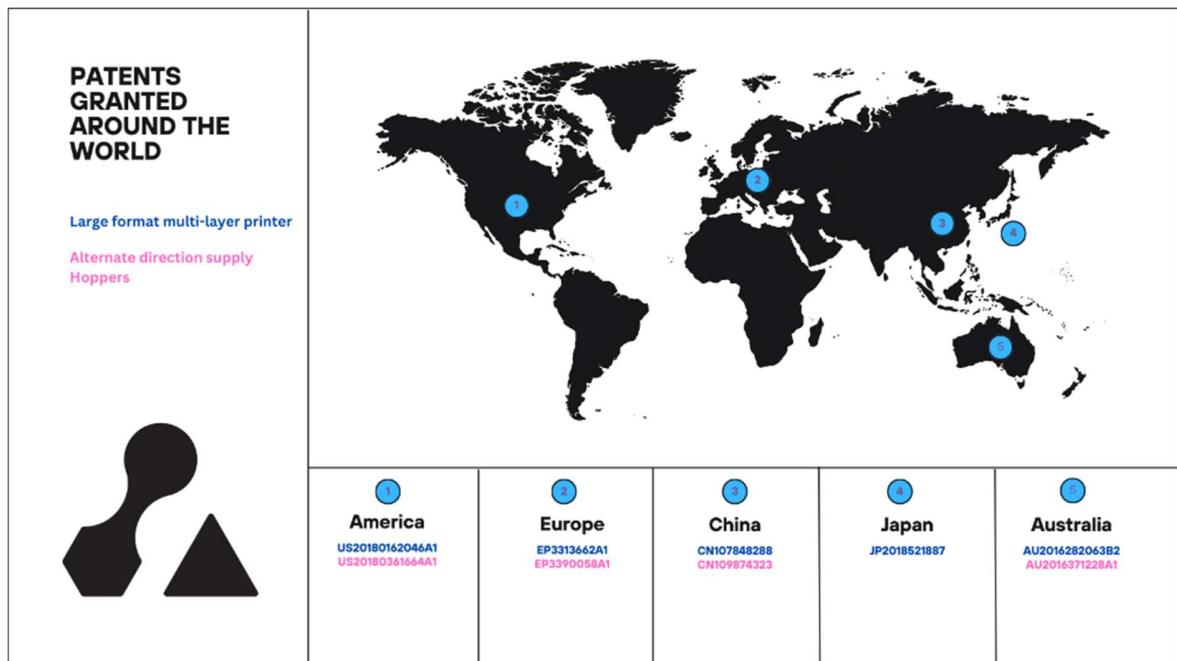
**DIRECTORS’ REPORT (CONTINUED)**

**Review of Operations (Continued)**

This activity is foundational to the growth of the company’s print services business and will lead to an increasing customer base delivering growing revenue in the near-term future and coincides with a review of the AdditiveNow Joint Venture to improve cost efficiency and service delivery effectiveness.

**Intellectual Property Management**

Aurora’s ongoing IP management strategy, particularly the protection of MCP™ technology, is seen as an important component of its commercialisation strategy, and it is pleasing that the US patent application has been accepted, pending formal granting of the patent. This completes critical MCP™ patent coverage across major global jurisdictions including Australia, China, Japan, Germany, France and Great Britain.



The continued protection of MCP™ technology is an important component of Aurora’s commercialisation strategy due to the alignment of Aurora’s high-power printing and MCP™ technologies with the AM industry’s steady progression towards industrialisation that requires high productivity systems.

**Commercialisation Activities**

The Company has continued to investigate partnership opportunities through a range of discussions with global companies based in the United States, Asia and Australia, including face-to-face meetings domestically and in Germany during Formnext (largest global AM tradeshow).

Key areas that have progressed include exploration of the application of Aurora’s patented MCP™ technology for large-scale production systems, submission of proposals for single laser machines that utilise A3D’s high power, high productivity printing technology, and further investigation of machine manufacturing options.

**Commercial Printer Design**

Design progression has continued guided by system learnings from the Print Campaign, leading to targeted design work of a single/dual laser platform suitable for advanced R&D applications and medium scale part production utilising A3D’s high power, high productivity printing technology. Design activities continue to be guided by potential customer and partner discussions.



## DIRECTORS' REPORT (CONTINUED)

### Review of Operations (Continued)

#### Personnel

Aurora has hired two additional personnel to strengthen the team and increase the rate of Aurora's commercialisation efforts. Dr. Ehsan Foroozmehr has been hired as Technology Manager to lead the engineering team as they liaise with prospective partners and progress the commercial machine design, and also lead ongoing targeted technology and material development initiatives. Ehsan has a long background in Additive Manufacturing, including PhD and post-doctoral AM research and design and development of commercial Laser Powder Bed Fusion printers. Matthew Lester has joined as Commercialisation and Corporate Development Manager. Matthew has been working with Aurora for the past 12 months as a consultant and has refined Aurora's commercialisation strategy, focusing on near term revenue through print services whilst prospective partners are sought. Alongside these additional managers, Rebekah Letheby continues in her existing role of Operations Manager, with responsibility for delivery of print services and parameter and material development, and Tamara Gray continues in her contract role as CFO.

Aurora's leadership team provides focused direction of the print services, commercial machine design and targeted technology development, and business development and partnership activities necessary to accelerate the Company's commercialisation progress.

#### Finance and Cash Position

During the period, the Company received \$737,000 R&D tax incentive refund.

As at 31 Dec 2022, the Company's cash at bank and on deposit was approximately \$888,000.

#### Significant events after the balance date

- On 14 February 2023, the Company announced at \$1.35 million share placement of 45 million shares at an issue price of \$0.03 per share to various sophisticated and professional investors. A total of 3,366,667 Fee Options will be issued in connection with the share placement, subject to shareholder approval. In conjunction with the placement, the Company announced a Share Purchase Plan enabling eligible shareholders at the record date of 13 February 2023 to acquire up to \$30,000 worth of shares at the issue price of \$0.03 per share. The Share Purchase Plan closes on 7 March 2023.
- On 15 February 2023, the Company announced that a review of the Additive Now Joint Venture by the partners concluded to restructure the Joint Venture relationship to enable services to be provided to customers directly by A3D as a contractor or via a subcontractor arrangement with Worley Services Pty Ltd ("Worley"). Certain existing AdditiveNow agreements will be novated to A3D.

There has been no additional matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

#### Auditor Independence

A copy of the auditor's independence declaration is on page 8 and forms part of this report.

Signed in accordance with a resolution of the directors.



**Grant Mooney**  
Chairman

Dated this 22nd February 2023



## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Aurora Labs Limited for the half-year ended 31 December 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia  
22 February 2023

A handwritten signature in black ink, appearing to read 'B G McVeigh'.

**B G McVeigh**  
Partner

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HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

**CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

|  | Note | Consolidated<br>31 Dec 22<br>\$ | Consolidated<br>31 Dec 21<br>\$ |
|--|------|---------------------------------|---------------------------------|
| <b>Continuing operations</b>                   |      |                                 |                                 |
| Revenue  | 4    | 63,250                          | 15,081                          |
| Cost of goods sold                             |      | (29,290)                        | (4,939)                         |
| <b>Gross profit/(loss)</b>                     |      | <b>33,960</b>                   | <b>10,142</b>                   |
| Other income                                   | 4    | 329                             | 56,412                          |
| Advertising                                    |      | (3,449)                         | (4,462)                         |
| Research and development expenses              |      | (91,019)                        | (124,770)                       |
| Rent   |      | (15,699)                        | (19,271)                        |
| Corporate expenses                             |      | (204,245)                       | (265,251)                       |
| Depreciation                                   |      | (80,549)                        | (81,811)                        |
| Employee benefits                              |      | (1,132,557)                     | (1,085,447)                     |
| Employee share-based payments (non-cash)       |      | (23,546)                        | (127,055)                       |
| Finance expenses                               |      | (11,070)                        | (9,922)                         |
| Foreign exchange expenses                      |      | (1,340)                         | -                               |
| Other expenses                                 |      | (164,339)                       | (129,639)                       |
| <b>Loss before income tax benefit</b>          |      | <b>(1,693,525)</b>              | <b>(1,781,073)</b>              |
| Income tax (expense) / benefit                 |      | -                               | -                               |
| <b>Loss for the period</b>                     |      | <b>(1,693,525)</b>              | <b>(1,781,073)</b>              |
| <b>Other comprehensive income</b>              |      | <b>-</b>                        | <b>-</b>                        |
| <b>Total comprehensive loss for the period</b> |      | <b>(1,693,525)</b>              | <b>(1,781,073)</b>              |
| Basic (loss) per share (cents per share)       |      | (0.92)                          | (1.11)                          |

The accompanying notes form part of these financial statements

**CONDENSED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2022**

|                                      |    | Consolidated<br>31 Dec 22<br>\$ | Consolidated<br>30 Jun 22<br>\$ |
|--------------------------------------|----|---------------------------------|---------------------------------|
| <b>Assets</b>                        |    |                                 |                                 |
| <b>Current Assets</b>                |    |                                 |                                 |
| Cash and cash equivalents            |    | 888,198                         | 1,946,892                       |
| Trade and other receivables          | 5  | 145,749                         | 751,390                         |
| <b>Total Current Assets</b>          |    | <b>1,033,947</b>                | <b>2,698,282</b>                |
| <b>Non-Current Assets</b>            |    |                                 |                                 |
| Property, plant and equipment        |    | 431,360                         | 454,085                         |
| Right-of-use leased assets           | 6  | 107,200                         | 153,143                         |
| Trade and other receivables          |    | 42,450                          | 42,451                          |
| <b>Total Non-Current Assets</b>      |    | <b>581,010</b>                  | <b>649,679</b>                  |
| <b>Total Assets</b>                  |    | <b>1,614,957</b>                | <b>3,347,961</b>                |
| <b>Current Liabilities</b>           |    |                                 |                                 |
| Trade and other payables             | 7  | 386,120                         | 470,801                         |
| Lease liabilities                    | 8  | 96,317                          | 96,317                          |
| Borrowings                           |    | 52,446                          | -                               |
| Other liabilities                    |    | 7,174                           | 2,869                           |
| Accrued annual leave                 |    | 95,445                          | 82,380                          |
| <b>Total Current Liabilities</b>     |    | <b>637,502</b>                  | <b>652,368</b>                  |
| <b>Non-Current Liabilities</b>       |    |                                 |                                 |
| Lease liabilities                    | 8  | 16,053                          | 64,211                          |
| <b>Total Non-Current Liabilities</b> |    | <b>16,053</b>                   | <b>64,211</b>                   |
| <b>Total Liabilities</b>             |    | <b>653,554</b>                  | <b>716,579</b>                  |
| <b>Net Assets</b>                    |    | <b>961,403</b>                  | <b>2,631,382</b>                |
| <b>Equity</b>                        |    |                                 |                                 |
| Issued capital                       | 10 | 33,205,828                      | 33,205,828                      |
| Reserves                             | 11 | 1,213,161                       | 1,579,690                       |
| Accumulated losses                   |    | (33,457,586)                    | (32,154,136)                    |
| <b>Net Equity</b>                    |    | <b>961,403</b>                  | <b>2,631,382</b>                |

The accompanying notes form part of these financial statements

**CONDENSED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

| Half-Year to December 2022                                 | Issued Capital    | Option and<br>Rights<br>Reserve | Accumulated<br>Losses | Total Equity       |
|--|-------------------|---------------------------------|-----------------------|--------------------|
|  | \$                | \$                              | \$                    | \$                 |
| <b>Balance at 1 July 2022</b>                              | <b>33,205,828</b> | <b>1,579,690</b>                | <b>(32,154,136)</b>   | <b>2,631,382</b>   |
| Equity issued during the period (net of share issue costs) | -                 | 23,546                          | -                     | 23,546             |
| Transfer expired options                                   | -                 | (390,075)                       | 390,075               | -                  |
| Loss for the period  | -                 | -                               | (1,693,525)           | (1,693,525)        |
| <b>Total comprehensive loss for the period</b>             | <b>-</b>          | <b>-</b>                        | <b>(1,693,525)</b>    | <b>(1,693,525)</b> |
| <b>Balance at 31 December 2022</b>                         | <b>33,205,828</b> | <b>1,213,161</b>                | <b>(33,457,586)</b>   | <b>961,403</b>     |

| Half-Year to December 2021                                 | Issued Capital    | Option and<br>Rights<br>Reserve | Accumulated<br>Losses | Total Equity     |
|--|-------------------|---------------------------------|-----------------------|------------------|
|  | \$                | \$                              | \$                    | \$               |
| <b>Balance at 1 July 2021</b>                              | <b>29,995,029</b> | <b>1,290,757</b>                | <b>(29,085,199)</b>   | <b>2,200,587</b> |
| Equity issued during the period (net of share issue costs) | 3,210,799         | 301,354                         | -                     | 3,512,153        |
| Loss for the period  | -                 | -                               | (1,781,073)           | (1,781,073)      |
| <b>Total comprehensive loss for the period</b>             | <b>3,210,799</b>  | <b>301,354</b>                  | <b>(1,781,073)</b>    | <b>1,731,080</b> |
| <b>Balance at 31 December 2021</b>                         | <b>33,205,828</b> | <b>1,592,111</b>                | <b>(30,866,272)</b>   | <b>3,931,667</b> |

The accompanying notes form part of these financial statements

**CONDENSED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022**

|  | Consolidated<br>31 Dec 22<br>\$ | Consolidated<br>31 Dec 21<br>\$ |
|--|---------------------------------|---------------------------------|
| <b>Cash flows from activities</b>                            |                                 |                                 |
| Receipts from customers                                      | 63,243                          | 71,199                          |
| Payments to suppliers and employees                          | (1,824,120)                     | (1,534,012)                     |
| Interest received  | 334                             | 253                             |
| Income tax benefit received                                  | 737,489                         | 746,215                         |
| <b>Net cash (used in) operating activities</b>               | <b>(1,023,054)</b>              | <b>(716,345)</b>                |
| <b>Cash flows from investing activities</b>                  |                                 |                                 |
| Payments for property, plant and equipment                   | (13,069)                        | (48,419)                        |
| Receipts from sale of property, plant and equipment          | -                               | -                               |
| <b>Net cash (used in) investing activities</b>               | <b>(13,069)</b>                 | <b>(48,419)</b>                 |
| <b>Cash flows from financing activities</b>                  |                                 |                                 |
| Proceeds from issue of shares (net of capital raising costs) | -                               | 3,385,099                       |
| Repayment of lease liabilities                               | (68,756)                        | (68,756)                        |
| Proceeds from borrowings                                     | 131,114                         | 107,674                         |
| Repayment of borrowings                                      | (74,363)                        | (53,837)                        |
| Payment of security bond                                     | -                               | (38,592)                        |
| Interest on borrowings                                       | (10,566)                        | (9,922)                         |
| <b>Net cash provided by (used in) financing activities</b>   | <b>(22,571)</b>                 | <b>3,321,666</b>                |
| <b>Net increase/(decrease) in cash held</b>                  | <b>(1,058,694)</b>              | <b>2,556,902</b>                |
| Cash and cash equivalents at the beginning of the period     | 1,946,892                       | 1,372,450                       |
| <b>Cash and cash equivalents at the end of the half-year</b> | <b>888,198</b>                  | <b>3,929,352</b>                |

The accompanying notes form part of these financial statements

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

### NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### Statement of compliance

These half-year financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

The half-year financial report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report.

The financial statements comprise the consolidated condensed interim financial statements for the Group. For the purposes of preparing the consolidated financial statements, the Group is a for-profit entity.

#### Basis of preparation

The half-year financial report has been prepared on a historical cost basis except for the value of Employee performance rights which were valued using a barrier up and in option pricing model and the options which were valued using the Black-Scholes method. Cost is based on the fair value of the consideration given in exchange for assets. All amounts are presented in Australian dollars.

#### Accounting policies and methods of computation

Accounting policies adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's annual financial report for the financial year ended 30 June 2022. The accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

#### Significant accounting judgements and key estimates

The preparation of half-year financial report requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2022.

#### Standards and Interpretations applicable to 31 December 2022

In the half-year ended 31 December 2022, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the half-year reporting periods beginning on or after 1 July 2021. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue on the Group and, therefore, no change is necessary to Group accounting policies.

#### Standards and Interpretations in issue not yet adopted applicable to 31 December 2022

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the period ended 31 December 2022. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Group and, therefore, no change is necessary to Group accounting policies.

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

### NOTE 2. GOING CONCERN

The financial report has been prepared on a going concern basis which is based on the realisation of the future potential of the Company's assets and discharge of its liabilities in the normal course of business.

As disclosed in the financial statements, the Group has incurred a net loss after tax for the half year ended 31 December 2022 of \$1,693,525 (December 2021: \$1,781,073) and had net cash outflows from operating activities of \$1,023,054 (December 2021: \$716,345). As at 31 December 2022, the Company has a net current asset position of \$396,445 (June 2022: \$2,045,914).

The net current asset position as at 31 December 2022 includes the following:

- cash at bank of \$888,198 (June 2021: \$1,946,892);

On 14 February 2023, the Company announced to ASX that it had received firm commitments to a \$1.35 million share placement of 45 million shares at an issue price of \$0.03 per share. In conjunction with the share placement, the Company has also announced a Share Purchase Plan to raise additional funds.

The Directors consider that the Group is a going concern however current cash flow forecasts indicate that the Company will need to generate sufficient revenue from its operations or other sources, including equity capital (refer paragraph above), to continue as a going concern. As the Group is in the formative stages of its business model there exists circumstances that give rise to a material uncertainty in relation to going concern.

Should the Group be unsuccessful in generating sufficient revenue from operations or additional sources of funding, there is a material uncertainty that may cast significant doubt as to whether the company will be able to continue as a going concern and be able to realise its assets and extinguish its liabilities in the normal course of business.

Notwithstanding the above, the Directors believe there are reasonable grounds to believe that the Group will be able to continue as a going concern after consideration of the following factors:

- The Directors remain committed to the long-term business plan that is contributing to improved results as the business progresses; and
- The Directors and the business have a successful track record of capital raising and have the option of seeking further funding to support working capital and the R& D activities of the Group by way of equity capital.

The Directors are of the opinion that these factors will allow the Group to focus on growth areas and on improving profitability. The Directors continue to monitor the situation closely and are focused on taking all measures necessary to optimise the Group's performance.

The Directors believe that the above indicators demonstrate that the Group will be able to pay its debts as and when they become due and payable and to continue as a going concern and be in a position to realise its assets and settle its liabilities and commitments in the normal course of business and at the amounts stated in the financial report. Accordingly, the Directors also believe that it is appropriate to adopt the going concern basis in the preparation of the financial statements.

No adjustments have been made to the recoverability and classification of recorded asset values and the amount and classification of liabilities that might be necessary should the company not continue as a going concern.

### NOTE 3. DIVIDENDS

There was no dividend declared in respect of the current or prior reporting periods.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### NOTE 4. REVENUE & OTHER INCOME

|                           | Consolidated<br>31 Dec 2022 | Consolidated<br>31 Dec 2021 |
|---------------------------|-----------------------------|-----------------------------|
| Print job income          | 63,250                      | 15,081                      |
| <b>Total Revenue</b>      | <b>63,250</b>               | <b>15,081</b>               |
| Recharge to JV            | -                           | 52,850                      |
| Interest income           | 329                         | 294                         |
| Other income              | -                           | 3,268                       |
| <b>Total Other Income</b> | <b>329</b>                  | <b>56,412</b>               |

### NOTE 5. TRADE AND OTHER RECEIVABLES

|                       | Consolidated<br>31 Dec 2022 | Consolidated<br>30 Jun 2022 |
|-----------------------|-----------------------------|-----------------------------|
| Accounts receivable   | 56,079                      | -                           |
| Interest receivable   | 1                           | 1,580                       |
| Income tax receivable | -                           | 737,489                     |
| Prepayments           | 89,669                      | 12,321                      |
|                       | <b>145,749</b>              | <b>751,390</b>              |

### NOTE 6. RIGHT-OF-USE LEASED ASSETS

#### Carrying Value

|                                    | Consolidated<br>31 Dec 2022 | Consolidated<br>30 June 2022 |
|------------------------------------|-----------------------------|------------------------------|
| Cost                               | 271,343                     | 271,343                      |
| Accumulated depreciation           | (164,143)                   | (118,200)                    |
| <b>Net Carrying value</b>          | <b>107,200</b>              | <b>153,143</b>               |
| Reconciliation                     |                             |                              |
| Opening Balance                    | 153,143                     | 239,671                      |
| Additions                          | -                           | 3,591                        |
| Depreciation expense               | (45,943)                    | (90,119)                     |
| Carrying Value as at end of period | <b>107,200</b>              | <b>153,143</b>               |

### NOTE 7. TRADE AND OTHER PAYABLES

|                        | Consolidated<br>31 Dec 2022 | Consolidated<br>30 Jun 2022 |
|------------------------|-----------------------------|-----------------------------|
| Accounts payable       | 94,404                      | 96,215                      |
| Payable to AdditiveNow | 213,820                     | 222,291                     |
| Other payables         | 77,896                      | 152,295                     |
|                        | <b>386,120</b>              | <b>470,801</b>              |

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

### NOTE 8. LEASE LIABILITIES

|                                    | Consolidated<br>31 Dec 2022 | Consolidated<br>30 June 2022 |
|------------------------------------|-----------------------------|------------------------------|
| Current liabilities                | 96,317                      | 96,317                       |
| Non-current liabilities            | 16,053                      | 64,211                       |
| <b>Total</b>                       | <b>112,370</b>              | <b>160,528</b>               |
| Reconciliation                     |                             |                              |
| Opening Balance                    | 160,528                     | 252,002                      |
| Additions                          | -                           | 3,590                        |
| Principal payments                 | (56,100)                    | (114,282)                    |
| Interest                           | 7,942                       | 19,218                       |
| Carrying Value as at end of period | <b>112,370</b>              | <b>160,528</b>               |

### NOTE 9. SEGMENT REPORTING

The Company operated in one segment, being the design, development and manufacture of metal 3D printers and associated products and services, in Australia.

### NOTE 10. ISSUED CAPITAL

|                                       | Consolidated<br>31 Dec 2022 | Consolidated<br>31 Dec 2022 | Consolidated<br>30 June 2022 | Consolidated<br>30 June 2022 |
|---------------------------------------|-----------------------------|-----------------------------|------------------------------|------------------------------|
|                                       | Number                      | \$                          | Number                       | \$                           |
| Ordinary shares on issue              |                             |                             |                              |                              |
| Balance at beginning of the year      | 184,158,068                 | 33,205,825                  | 152,896,470                  | 29,995,029                   |
| Placement                             | -                           | -                           | 26,086,957                   | 3,000,000                    |
| Share purchase plan                   | -                           | -                           | 5,174,641                    | 595,088                      |
| Less share issue costs                | -                           | -                           | -                            | (384,282)                    |
| <b>Balance at the end of the year</b> | <b>184,158,068</b>          | <b>33,205,825</b>           | <b>184,158,068</b>           | <b>33,205,825</b>            |

Ordinary shares entitle the holder to participate in dividends and proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On the show of hands every holder of ordinary shares present at a meeting in person or proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

### NOTE 11. RESERVES

|  | Consolidated<br>31 Dec 2022 | Consolidated<br>30 Jun 2022 |
|--|-----------------------------|-----------------------------|
| Balance at the beginning of the period | 1,579,690                   | 1,290,757                   |
| Option reserve movements               | (366,529)                   | 288,933                     |
| Performance rights reserve movements   | -                           | -                           |
| <b>Total</b>                           | <b>1,213,161</b>            | <b>1,579,690</b>            |

This reserve is used to record the value of equity benefits provided to employees and Directors as part of their remuneration.

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

### NOTE 11. RESERVES (CONTINUED)

| Movements in options on issue  | Consolidated      | Consolidated   | Consolidated      | Consolidated     |
|--------------------------------|-------------------|----------------|-------------------|------------------|
|                                | 31 Dec 2022       | 31 Dec 2022    | 30 June 2022      | 30 June 2022     |
|                                | Number            | \$             | Number            | \$               |
| Balance at beginning of period | 22,150,000        | 1,061,776      | 18,777,107        | 772,843          |
| Options issued                 | 4,995,000         | 23,546         | 4,000,000         | 382,284          |
| Options expired                | (7,520,000)       | (390,075)      | (627,107)         | (93,351)         |
|                                | <b>19,625,000</b> | <b>695,247</b> | <b>22,150,000</b> | <b>1,061,776</b> |

| Movements in performance rights on issue | Consolidated   | Consolidated   | Consolidated   | Consolidated   |
|--|----------------|----------------|----------------|----------------|
|  | 31 Dec 2022    | 31 Dec 2022    | 30 June 2022   | 30 June 2022   |
|  | Number         | \$             | Number         | \$             |
| Balance at beginning of period           | 955,737        | 517,914        | 970,737        | 517,914        |
| Performance rights earned                | -              | -              | -              | -              |
| Performance rights cancelled             | -              | -              | (15,000)       | -              |
|  | <b>955,737</b> | <b>517,914</b> | <b>955,737</b> | <b>517,914</b> |

### NOTE 12. SHARE BASED PAYMENTS

The following options were granted in the current half-year.

| Option terms                    | Staff Options | CEO Options | Management Options |
|---------------------------------|---------------|-------------|--------------------|
| Expected volatility (%)         | 75%           | 75%         | 75%                |
| Risk-free interest rate (%)     | 0.285%        | 0.285%      | 0.310%             |
| Expected life of option (years) | 2             | 2           | 2                  |
| Exercise price (\$)             | 0.055         | 0.055       | 0.055              |
| Grant date share price (\$)     | 0.34          | 0.34        | 0.27               |
| Number of options               | 1,495,000     | 3,000,000   | 500,000            |
| Fair Value (\$)                 | 14,352        | 28,800      | 3,650              |

### NOTE 13. SIGNIFICANT EVENTS AFTER THE BALANCE DATE

- On 14 February 2023, the Company announced at \$1.35 million share placement of 45 million shares at an issue price of \$0.03 per share to various sophisticated and professional investors. A total of 3,366,667 Fee Options will be issued in connection with the share placement, subject to shareholder approval. In conjunction with the placement, the Company announced a Share Purchase Plan enabling eligible shareholders at the record date of 13 February 2023 to acquire up to \$30,000 worth of shares at the issue price of \$0.03 per share. The Share Purchase Plan closes on 7 March 2023.
- On 15 February 2023, the Company announced that a review of the Additive Now Joint Venture by the partners concluded to restructure the Joint Venture relationship to enable services to be provided to customers directly by A3D as a contractor or via a subcontractor arrangement with Worley Services Pty Ltd ("Worley"). Certain existing AdditiveNow agreements will be novated to A3D.

There has been no additional matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

### NOTE 14. FINANCIAL INSTRUMENT

The Group has a number of financial instruments which are not measured at fair value in the statement of financial position. The Directors consider that the carrying amounts of these financial instruments are considered to be a reasonable approximation of their fair values.

**DIRECTORS' DECLARATION**

The directors declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Group.
- (c) the interim financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the Corporations Act 2001.

A handwritten signature in black ink, appearing to read 'Grant Mooney', written in a cursive style.

**Grant Mooney**

**Chairman**

Dated this 22nd February 2023



## **INDEPENDENT AUDITOR'S REVIEW REPORT**

To the members of Aurora Labs Limited

### **Report on the Condensed Half-Year Financial Report**

#### *Conclusion*

We have reviewed the accompanying half-year financial report of Aurora Labs Limited (“the company”) which comprises the condensed consolidated statement of financial position as at 31 December 2022, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors’ declaration, for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Aurora Labs Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group’s financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### *Basis for conclusion*

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor’s responsibilities for the review of the financial report* section of our report. We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

#### *Material uncertainty related to going concern*

We draw attention to Note 2 in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

#### *Responsibility of the directors for the financial report*

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

**[hlb.com.au](http://hlb.com.au)**

**HLB Mann Judd (WA Partnership) ABN 22 193 232 714**

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*Auditor's responsibility for the review of the financial report*

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

*HLB Mann Judd*

**HLB Mann Judd**  
**Chartered Accountants**

**Perth, Western Australia**  
**22 February 2023**

A handwritten signature in black ink, appearing to read 'B G McVeigh'.

**B G McVeigh**  
**Partner**