



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 Q4 FY22

Highlights:

- Print Demonstration Campaign progressed well, due for completion in August 2022. Final analysis of test results expected in Q2 FY23.
- Transition to comprehensive print service offering underway, supported by increasing print work and refined team structure.
- Partnership discussions are continuing, whilst vertical integration and application opportunities are being evaluated.

Aurora Labs Limited ("A3D" or "the Company") (ASX:A3D), wishes to provide its quarterly report to shareholders and appendix 4C for Q4 FY2022.

Commenting on Q4 activities, Chairman Grant Mooney said:

"With the Print Demonstration Campaign nearing completion, I look forward to the business sharing our findings with prospective partners, shareholders and the wider industry. I am also excited by entering our next phase of operations, as we look to capitalise on the near-term revenue opportunities that our print capabilities can deliver, whilst continuing to explore partnerships that may advance our print technology towards commercialisation".

CONTACT DETAILS

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ASX CODE: A3D
ACN: 601 164 505

Print Demonstration Campaign

Aurora's print campaign has progressed through the quarter and final qualification prints are expected to be completed in early August. The project, overseen by The Barnes Global Advisors (TBGA), is closely linked to the Company's commercialisation strategy and will demonstrate A3D technology's ability to repeatedly produce printed material that meets draft SAE International aerospace standards. The suite of standards including AMS7003¹, AMS7032², AMS7036³ and AMS7039⁴ cover installation, machine and printed material quality compliance.

¹ AMS7003 – Laser Powder Bed Fusion Process

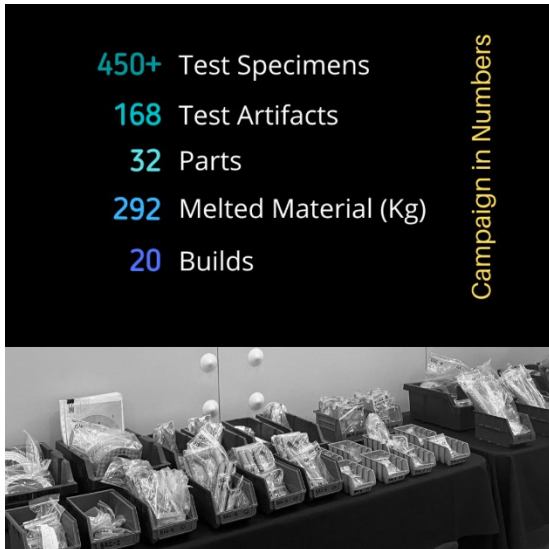
² AMS7032 – Additive Manufacturing Machine Qualification

³ AMS7036 – Laser-Powder Bed Fusion (L-PBF) Produced Parts, Steel, Corrosion and Heat Resistant 17Cr – 13Ni – 2.5Mo (316L), Hot Isostatic Pressed

⁴ AMS7039 – Laser-Powder bed Fusion (L-PBF) produced parts, Steel, Corrosion and Heat Resistant 17Cr – 13Ni – 2.5Mo (316L), Stress Relief and Anneal



A3D will be one of the first additive equipment companies compliant to print metal parts to the aerospace 3D printing standards once they are approved. Globally, A3D will be the first to achieve this status at 1500W laser power. The testing of the various samples and artifacts generated during the campaign will be conducted in the US and overseen by TBGA. It is expected that the results and findings will be available in Q2 FY23.



Throughout the campaign, the Company generated a significant amount of operational and printing data at 1500W that can be utilised to refine and improve the printing parameters. In addition, Aurora staff have completed and documented comprehensive machine calibration and generated numerous material test results including density, hardness and microstructure.

Upon completion of the campaign, Aurora's Beta printer will primarily be used for commercial print work, with targeted R&D being scheduled where applicable. Demonstrated compliance with installation, machine and material quality standards is readily applicable to other industrial sector print certification requirements.

Printing Services

During the past quarter, the team completed stainless steel 316L and carbon fibre reinforced PEEK prints for both Additive Now and A3D's own direct customers. These prints are now undergoing customer testing and/or service trials. Concurrently Aurora has continued to establish the supporting processes and systems to support a greater volume of print work, including an ERP system, ISO certification as well as re-organising team structure to align with commercial print work.

Aurora saw a notable increase in engagement with resources and oil & gas companies seeking to mitigate supply chain risk by augmenting existing parts supply streams with 3D printing capacity. The Company is actively engaged with a number of these companies



to provide sample product and inventory assessments for future print works.

To prepare for an anticipated increase in contract printing services, A3D is currently investigating options to increase its in-house print capacity by adding printer modules to the existing print facility.

Aurora launched a revamped website in July (post quarter) to promote Aurora's industrial print services and articulate the primary business operations.



Partnerships

Aurora continues to explore the option of forming a partnership to commercialise its printing technology. The most prospective discussions can be characterised as OEM's of industrial machines who have an interest in entering the AM sector.

During the recent trip to the US to attend the Rapid+TCT Conference, a clear trend towards industrial printing was observed with a focus on the value of finished parts produced utilising 3D printing technology. Aurora is encouraged by this trend, with its unique high productivity print capability, location and industry exposure offering attractive near-term revenue opportunities.

As Aurora ramps up its own commercial printing activities, a review of the Additive Now Joint Venture is underway to improve cost efficiency and service delivery effectiveness.

Commercial Printer Design

During the quarter, the Company progressed its commercial printer design. A3D's engineering team has completed baseline configuration, functional description, design basis and design gap documentation for the complete printer system and progressed design development for printer mechanical and process control components.

Based on market analysis and feedback, A3D has identified specific machine performance and cost targets, and continues to assess alternative machine configurations, to ensure that the product is attractive to potential partners and end use customers.

Interdependency between the design development, manufacturability, print demonstration campaign results, customer print requirements and potential commercialisation partnerships is being monitored and managed to optimise A3D's engineering activities and align with commercial pathway.

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 \$80,000.

At 30th June 2022, the Company's cash at bank and on deposit was approximately \$1.95 million.

Covid-19

As the Covid-19 situation in Western Australia develops, A3D remains committed to safety as its priority. The Company's pandemic policies echo Government advice and are updated regularly to adhere to new mandates and changing requirements. Aurora has sought to minimise business disruption associated with over 50% of staff contracting Covid within Q4.

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

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 June 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	12	96
1.2 Payments for		
(a) research and development	(96)	(198)
(b) product manufacturing and operating costs	(2)	(11)
(c) advertising and marketing	(12)	(17)
(d) leased assets	(44)	(154)
(e) staff costs	(587)	(2,238)
(f) administration and corporate costs	(244)	(818)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid	(1)	(4)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (R&D refund)	-	746
1.9 Net cash from / (used in) operating activities	(974)	(2,598)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment	(2)	(53)
(d) investments		
(e) intellectual property	(25)	(134)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 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	(27)	(187)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities) (See Note 1 below)	-	3,595
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	-	(231)
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	-	3,364

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,951	1,373
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(974)	(2,598)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(27)	(187)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	3,364
4.5	Effect of movement in exchange rates on cash held	(3)	(5)
4.6	Cash and cash equivalents at end of period	1,947	1,947

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	1,947	2,951
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)	1,947	2,951

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	(80)
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)	(974)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,947
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	1,94
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	2 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: 29 July 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.