

# Aurora | LABS

MASTER INVESTOR: MARCH 2017

**WHAT DO YOU WANT TO BUILD TODAY?**

## CUTTING EDGE TECHNOLOGY ENABLING OPPORTUNITY

AURORA IS AN INDUSTRIAL TECHNOLOGY AND INNOVATION COMPANY THAT SPECIALISES IN THE DEVELOPMENT OF 3D METAL PRINTERS, POWDERS AND DIGITAL PARTS AND THEIR ASSOCIATED INTELLECTUAL PROPERTY.



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## THE JOURNEY SO FAR

### David Budge started working on 3D printing concepts over 20 years ago.

- In August 2014, David founded Aurora Labs with Jessica Snelling and William Crisp.
- David sought to use existing technologies in innovative ways to make an affordable 3D metal printer utilising the software programming skills of Jessica and Will. Thus the S-Titanium range of Small Format Printers were developed and improved over the 2014/2015 period.



Aurora Designed  
S-Titanium Pro 3D Metal printer



Aurora Designed Rocket  
Motor Inspiration for 3D printers

## THE JOURNEY SO FAR

### Design – Test – Deliver!

- In 2015, Aurora commenced pre-sales of the S-Titanium printers.
- In mid 2016, Aurora began Beta testing of the S-Titanium printers in anticipation of commercial production.
- In December 2016 first production S-Titanium printer is delivered.
- Full production of S-Titanium printer began December 2016.



From left to right – Matt Taylor (MLA), David Budge (Aurora Labs), Nathan Henry (Aurora Labs), and Jessica Snelling (Aurora Labs)

## MARKET OPPORTUNITY

**Global metal manufacturing** was estimated to be a US\$3.8 trillion industry in 2014<sup>1</sup>.

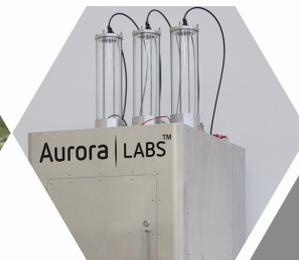
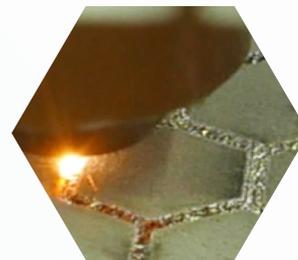
**3D metal printing** could potentially replace a large portion of traditional metal manufacturing.

**3D printing industry market size** was estimated to be approximately US\$5 billion as at 2015<sup>2</sup> and forecast to increase to US\$20 billion by 2020<sup>3</sup>.

**Prices of machines need to fall and / or speeds need to improve** for large scale disruption to happen.

**Aurora** believes it has the **technologies that answer this need.**

1. The Business Research Company – Metal Manufacturing Global Market 2016
2. Source: Canals 3D metal printing industry report commissioned by Aurora, April 2016.
3. Canals, Global 3D printing market to reach \$20.2 billion in 2019 0 Market expected to grow 56% in 2015, April 2015.



## THE PROBLEM

**Prices** of most 3D metal printers starts in the vicinity of US\$100,000+.

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**Slow speeds** mean it can often take several weeks or months to print a large part.

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**Lack of flexibility** in modes compromises outcomes. Competitor machines typically have one or two print modes.



## MILESTONES ACHIEVED

**CE Mark and FDA-CDRH** - SFP now included on the FDA-CDRH accession list and CE Mark use has been granted. We are now free to export to and sell the Aurora 3D metal printer S-Titanium Series Range (S-Titanium and S-Titanium Pro) into the EU and United States markets.

**First production S-Titanium delivered** in December 2016. Aurora delivered the first production S-Titanium printer to an ex-Kickstarter purchaser.

**International distribution** Negotiating several key distributorships in Europe and Asia.

**International factory trained service technician**  
The first service technician was trained at Aurora's factory in February 2017.



## TECHNOLOGICAL ADVANTAGE

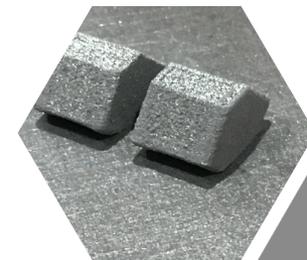
**Low price** – S-Titanium Pro’s US\$49,999 (ex. tax and shipping) price is affordable to most small businesses, Universities and research institutes.

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**Fast speeds** – the Titan Large Format Printer target design is:

- 1 tonne/24 hours
  - 100 X faster than existing 3D metal printers.
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**Print flexibility** – three print modes – SLS, SLM and DED.



## WHO USES 3D METAL PRINTING?

In late 2016 **GE**, bought **Concept Laser** and sought to acquire **Arcam**, two 3D metal printing companies for a combined total of approximately \$1.4B to bolster the incorporation of 3D printing into their manufacturing stream<sup>1</sup>.

Aurora was contacted on announcement of development of a very high speed 3D metal printer by **4 of the following 9 companies**.

Based on public announcements and Aurora's direct contacts, some of the major organisations that use 3D metal printing include:



**AIRBUS**



**ALCOA**



1. <http://fortune.com/2016/10/27/ge-3d-printing-concept-laser/>, <http://www.businesswire.com/news/home/20161115006221/en/GE-Agrees-Purchase-Controlling-Shares-Arcam-AB>

Note: Aurora Labs does not claim the above Companies endorsement

## UNIQUE SELLING PROPOSITION

Aurora has developed **unique technologies** that give its printers competitive advantages in terms of cost and speed.

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**A creative and innovative team** that thinks “outside the box” when it comes to solving complex problems.

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**Industry connections** with some of the world’s largest companies and research institutions.



## THE SMALL FORMAT PRINTER

Full commercial production began in December 2016.

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S-Titanium Pro 300W 3D metal printer with **Patent Pending technologies**.

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**The machines print in three modes**  
(SLS, SLM and DED)

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**Flexibility in alloying and pseudo-alloys.**

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The print bed is one of the **largest on the market**  
at this price point.

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One of the **cheapest 3D metal printers** on the Market.

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**Substantial interest** from global mining companies, universities, jewelry manufacturers, dentistry, prototyping and many other industries.



S-Titanium Pro beta machine

## THE MEDIUM AND LARGE FORMAT PRINTERS

### The 'Titan' Large Format Printer

LFP expected to print up to one tonne/24 hours

Approximately 100 times faster than existing 3D printers on the market.

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### 'Europa' Medium Format Printer and 'Titan' Large Format Printer

Possibly replace a large percentage of traditional metal manufacturing.

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**The printers** will be able to produce shapes difficult or impossible to produce with traditional methods.

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*Aurora believes that the Large Format Printer will be especially beneficial to the mining, oil and gas industries that use numerous metal parts but do not wish to maintain vast stores of spare parts.*



## THE NEXT PHASE

### Sale of metal powders

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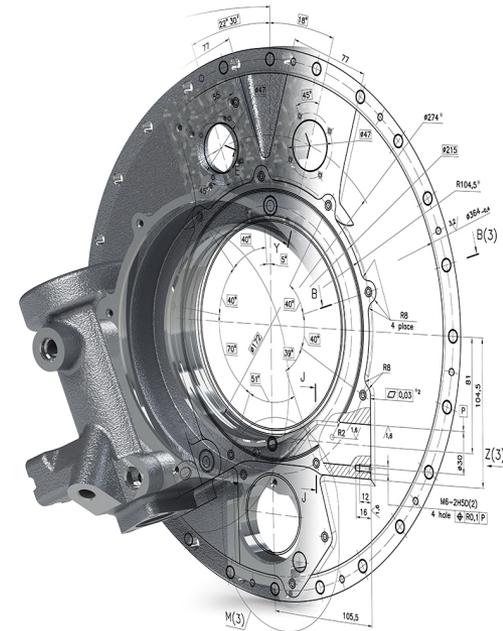
- Establishing a business unit for sale of powders to customers for use with its 3D printers.
- MFP and LFP printers are being designed to use **only** powders **supplied by Aurora**, ensuring quality OEM certified status.
- Powder production prototype is under construction.
- Currently supplying pure metal, alloy and cermet powders.
- Aurora is investigating designing and building a small scale pilot powder plant.



## THE NEXT PHASE *...continued*

### Pay-per-print and parts certification

- Aurora intends to develop software allowing customers to search an online store of part designs and specifications.
- The store would allow customers to buy a one-off or multi-print license to manufacture parts or components from an OEM.
- The software is intended to allow print build quality monitoring and shape conformity to allow certification of parts as meeting design criteria.



## MILESTONES ACHIEVED *...continued*

**MFP/Large Format Printer** prototype machine has **been successfully tested** with all sub-assemblies in a whole system test and **process and parameter development has begun**.

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**Patent Applications - 3 additional patents** in Australia and **5 additional patents under the Patent Cooperation Treaty (PCT)** over the past year.

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**March 2016** - 3 full time staff and 1 part time employee  
**March 2017** - 20 full time staff with another 11 part time or casual employees and 1 contractor.



## STRATEGIC ALLIANCE

**Strategic alliance** – Aurora Labs has signed a 12-month non-binding Term Sheet with **WorleyParsons Services** to develop parameters and enter into a commercial contract.

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### Four key objectives:

#### LICENCE AND DISTRIBUTION

A non-exclusive licence and distribution agreement, allowing Aurora's 3D metal printing machines and consumables to be sold and distributed.

#### DESIGN AND CERTIFICATION – 'SOLUTIONS CENTRE'

Establish a business for the development of designs that can be purchased and used for the Products (the **Solutions Centre**).

#### PRINT BUREAU

Establish a printing bureau whereby designs are printed for third parties using Aurora's machines.

#### POWDER PRODUCTION

Opportunities to create a market for bulk and specialty powders to be used by Aurora's machines will also be explored.

## FINANCIALS

Aurora Labs Limited		Page   8	
<b>CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016</b>			
	Note	31 Dec 16 \$	30 Jun 16 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents		1,249,690	2,353,226
Trade and other receivables	5	464,361	90,905
IPO prepayments		-	130,801
Inventories		313,762	103,898
<b>Total Current Assets</b>		<b>2,027,813</b>	<b>2,678,830</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment		147,058	12,773
Intangible Assets		108,093	59,947
<b>Total Current Assets</b>		<b>255,151</b>	<b>72,720</b>
<b>Total Assets</b>		<b>2,282,964</b>	<b>2,751,550</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables		351,293	254,282
Pre-Payments	9	253,960	306,743
Accrued annual leave		59,922	26,579
Share subscriptions received		-	2,109,160
<b>Total Liabilities</b>		<b>665,175</b>	<b>2,696,764</b>
<b>Net Assets</b>		<b>1,617,789</b>	<b>54,786</b>
<b>Equity</b>			
Issued capital	6(a)	3,775,681	1,365,625
Reserves	6(c)	500,152	57,500
Accumulated losses		(2,658,044)	(1,368,339)
<b>Net Equity</b>		<b>1,617,789</b>	<b>54,786</b>
The accompanying notes form part of these financial statements			
AURORA LABS LIMITED <i>Interim Financial Report 31 December 2016</i>			

## Interim Financial Report For the Half-Year 31 December 2016

Page 8

### Financial Position December 2016

Aurora Labs successfully completed a placement of 2.8 million ordinary shares to raise \$7 million after the above accounts were completed.

## CAPITAL STRUCTURE

SECURITY TYPE	AMOUNT
Ordinary shares on issue - quoted 25,639,304	57,900,000
Class A Performance shares <sup>1</sup> 6,300,000	
Class B Performance shares <sup>2</sup> 7,087,500	
Class C Performance shares <sup>3</sup> 7,612,500	
Total Performance shares on issue	21,000,000
Total options on issue <sup>4</sup>	12,016,000
Directors and management hold 29,285,214 (or 50.6%) of shares on issue	
*Total restricted shared (held in escrow) - 32,260,696 (or 55.8%) of the ordinary shares on issue	

## TOP 10 SHAREHOLDERS

HOLDER NAME	%	No
MR DAVID J BUDGE	41.4%	1
GASMERE PTY LTD	4.9%	2
MR PAUL KEHOE (ENTITIES)	3.6%	3
MR WILLIAM M CRISP	2.5%	4
CITICORP PTY LTD	2.3%	5
MRS JESSICA C E SNELLING	2.3%	6
MR PETER ANTHONY	2.2%	7
MR JOHN NATHAN HENRY (+ RELATED ENTITIES)	1.7%	8
KACHA PTY LTD	1.6%	9
MR HARRY HATCH	1.2%	10

1. To convert to ordinary shares on achieving cumulative revenue of A\$1.5 million before 30 June 2017.
2. To convert to ordinary shares on achieving cumulative revenue of A\$5.5 million before 30 June 2018.
3. To convert to ordinary shares on achieving cumulative revenue of A\$7.25 million before 30 June 2019
4. 11,250,000 Exercisable at 20 cents/Expiring on 31 December 2018: 225,000 Exercisable at A\$2.23/Expiring on 30 November 2019: 641,000 Exercisable at \$3.00/Expiring on 31 March 2020

## IN THE PRESS

“When I first started in this field it was very novel, the 3D printing has undergone many changes since then and we are finally on the cusp of a major breakthrough in large-scale metal printers. Over the last year I’ve worked with a Perth-based start-up Aurora Labs, who is at the forefront of 3D printing globally.” – Professor Tim Sercombe (University of Western Australia) reported in UWA news (Article: UWA working on transformational 3D printing).

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“Budge has already fielded offers from parties interested in buying the startup outright, but he says they’re not ready for that. Particularly as 3D printing is on the cusp of becoming commonplace in manufacturing.” (startupsmart.com.au)

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“As a 15-year-old, David Budge dreamed of working for NASA. So when the space agency contacted his tiny, nondescript warehouse office in Myaree and asked to buy one of his 3-D printers, he was able to tick one thing off his bucket list. Add Siemens, Alcoa and Airbus to the list and the self-described robotics fanatic reckons he is onto a good thing.” – NASA calls on 3-D printer maker (The West Australian newspaper).



# Aurora | LABS

MASTER INVESTOR: MARCH 2017

**WHAT DO YOU WANT TO BUILD TODAY?**

**THANK YOU FOR YOUR INTEREST**

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