



ASX Announcement

December 2025 Quarterly Activities Report and Appendix 4C

- First propulsion purchase order secured for 20 micro gas turbine units from Sovereign Propulsion Systems (SPS) worth \$250,000 building on our joint collaboration agreement with SPS to conduct aerial testing of Aurora's micro gas turbine engines, underpinning A3D's expansion into the defence propulsion market
- MOU signed with key defence and aerospace groups, including: MBDA (Europe), and Ares Armaments
- MOU with MBDA marks a key strategic milestone and validation from one of the world's most advanced and strategically important defence groups
- MBDA is jointly owned by Airbus (37.5%), BAE Systems (37.5%) and Leonardo (25%)
- Upgrade of Canning Vale facility completed with the installation of newly acquired CNC machinery
- Continued expansion of industrial additive manufacturing revenues through new customers and repeat contracts, including a Defence purchase order for metal printing
- AS9100D certification remains on track, with Phase 1 internal audit achieved in early January 2026, with Phase 2, timed for June 2026
- Continued investment in intellectual property development across metal additive manufacturing processes and propulsion technologies
- Board restructure and \$5.5m placement completed to underpin near term growth opportunities

Aurora Labs Limited ("A3D" or the "Company") is pleased to provide the following report on activities undertaken during the three-month period ended 31 December 2025 (the "quarter").

During the period, the Company continued to progress the commercialisation of its metal additive manufacturing technology, with a focus on advancing customer engagement, system validation and operational readiness. The Company undertook further refinement and testing of its proprietary metal 3D printing platforms, progressed discussions with prospective industrial and defence-aligned customers and continued to build its pipeline of potential commercial opportunities. In parallel, Aurora maintained disciplined cost management while progressing strategic initiatives aimed at transitioning from development into early-stage commercial deployment of its technology.

Operational overview:

Entry into Defence Propulsion Market

Key updates were highlighted by the delivery of several key commercial milestones, underpinned by the Company's formal entry into the defence propulsion market. The entry followed execution of a Joint Integration, Testing, Development and Distribution Agreement with Sovereign Propulsion Systems (SPS) for the testing and commercialisation of its novel turbine engines, designed to meet requirements for the defence sector.

Under the terms of the agreement, SPS will manage and oversee a comprehensive propulsion testing program at its South Australian facility, including integration of A3D's engines into selected platforms or third-party systems. The program will include detailed performance assessment through both bench testing and real-world flight operations.



Following execution of the initial agreement, the Company received its maiden purchase order from SPS for the supply of 20 AU4 propulsion systems (micro-gas turbine engines) valued at \$250,000. This order represents Aurora's first commercial supply of complete propulsion systems and provides validation of the Company's propulsion technology following an extended development and testing phase. Product delivery is expected to commence shortly and is scheduled for completion, likely by the end of Q1 CY26.

Following delivery, the AU4 system will be deployed for testing at SPS's facilities. Access to SPS's flight operations facility is expected to accelerate Aurora's propulsion development program and support demonstration of system reliability for future commercial and defence market engagement. The order establishes Aurora as a supplier of propulsion systems within the defence sector and provides a foundation for future propulsion-related opportunities.

Propulsion Durability Testing and Customer Demonstrations

The company continued extensive bench testing and performance validation of its micro gas turbine propulsion systems throughout the quarter. Testing activities focused on performance, reliability, and system optimisation, with results used to support customer engagement and program progression. Testing was undertaken internally, as well as part of the Company's agreement with SPS. Testing undertaken is a critical step in the progression toward operational qualification and deployment and is expected to provide valuable data to support future propulsion programs, both in Australia, or with our global customers.



Minister for Defence Industry, Hon. Pat Conroy joins our Aurora Labs team during an engine testing demonstration

Strategic Defence Engagements and MOUs

During the quarter, Aurora executed Memoranda of Understanding with 2 prominent defence and aerospace organisations, including: MBDA (Europe), and Ares Armaments.

The Company's MOU with Ares Armaments, a leading Australian precision armaments manufacturer,



strengthened A3D's presence in the sovereign defence manufacturing sector. The collaboration is focused on research, development and prototyping of small, high-performance defence components using exotic metals, combining Aurora's advanced metal additive manufacturing capabilities with Ares' established testing, regulatory and customer infrastructure. Prototyping and testing activities is scheduled for the first half of '26 utilising Ares test facilities. The agreement provides Aurora with a pathway to deploy its technology in a high-volume, regulated defence manufacturing environment and supports potential future commercial engagement across Ares' defence and law-enforcement customer base.

Further, the Company entered into an MOU with global defence group MBDA, one of the world's leading developers of missile and complex weapon systems. The MOU provides a framework to assess the suitability of A3D's additively manufactured turbojet propulsion technologies for potential integration into future MBDA platforms, supported by technical exchanges, engine performance assessments and identification of aligned defence applications. The engagement represents a significant validation of Aurora's proprietary 3D-printed propulsion capability and reflects growing international interest in advanced manufacturing solutions that offer improved performance, cost efficiency and supply-chain resilience.

More broadly, these agreements provide structured frameworks for collaboration across propulsion development, testing, qualification, and advanced manufacturing. The agreements are intended to facilitate technical engagement, evaluation programs, and potential future commercial arrangements, while supporting A3D's strategy of embedding its technologies within sovereign and allied defence supply chains and expanding its engagement with both domestic and international defence primes and system integrators.



Aurora Labs CEO and Executive Director meet representatives from MBDA (Europe)

Manufacturing Operations and Facility Upgrade

During the quarter, Aurora completed a planned upgrade of its Canning Vale facility with the installation and commissioning of newly acquired CNC machining assets. These machines are now fully operational and are



being integrated into the Company's growing production workflow.

The expanded CNC capability provides Aurora with enhanced precision machining capacity to complement its metal additive manufacturing processes. This integrated approach supports the production of complex, high-performance components and assists in the post processing of printed parts, while improving production efficiency, quality control, and scheduling certainty.

The facility upgrade is expected to support both current contractual requirements and anticipated demand from defence and aerospace customers as the Company progresses toward high volume and more complex manufacturing programs.

Additive Manufacturing and Industrial Revenue Activity

During the quarter, Aurora Labs continued to generate revenue from its industrial additive manufacturing operations, supported by a combination of new customer engagements and repeat contracts.

Notably, the Company secured a Defence-related purchase order for the additive manufacturing of zirconium components, a material commonly associated with demanding defence and aerospace applications. This work demonstrates A3D's capability in processing advanced and difficult-to-machine materials and reinforces the Company's positioning as a specialist provider of high-performance additive manufacturing services for the broader defence sector.

Aurora continues to pursue opportunities via its additive manufacturing business to provide both near-term revenue and strategic alignment with defence sector requirements.



Printed AU4 Engine Cases

Quality Systems and Certification

Aurora continued to advance its quality systems in line with aerospace and defence standards. Progress toward AS9100D certification remained on schedule during the quarter. The Phase 1 audit of the certification process

was scheduled for January with the company completing Phase 1 successfully and looking forward to is scheduled Phase 2 later in 2026, which will round out the initial certification steps to achieving AS9100D. Both audits are conducted by external auditors experienced in the requirements of the quality management framework for aerospace and defence. Achieving AS9100D certification is expected to enhance Aurora's ability to engage with tier-one defence contractors, government agencies, and international aerospace customers

Research, Development, and Intellectual Property

The Company continued investment in R&D activities during the quarter, with a focus on propulsion systems and advanced metal additive manufacturing processes. Ongoing IP development is directed toward improving system performance, manufacturability, and long-term differentiation, supporting Aurora's strategy to deliver proprietary, high-value solutions within defence and industrial markets.

Industry Engagement and Market Presence

Aurora's participation at the Indo Pacific Exposition 2025 in Sydney assisted in broadening awareness of its sovereign propulsion capability. Attendance provided direct exposure for the Company's innovative micro gas turbine engines to global Defence primes, UAV platform integrators, and procurement officials.

This engagement is expected to generate tangible sales opportunities by opening discussions for platform integration, co-development, and supply-chain partnerships. Participation in these major international showcases is a critical element of Aurora's growth strategy, strengthening its position as a credible Australian supplier in the global defence ecosystem and building investor confidence in the Company's expanding commercial pipeline.



Aurora Labs CEO, Rebekah Letheby with SPS representatives at IndoPacific Exposition 2025 in Sydney



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Outlook and near-term focus:

The Company remains focused on a number of pending value catalysts for the current quarter:

- Executing propulsion engine deliveries under the SPS purchase order
- Advancing aerial testing and validation programs
- Completing AS9100D certification milestones
- Leveraging strategic MOUs toward commercial outcomes
- Continuing disciplined investment in manufacturing capability and IP

Corporate:

Board and management changes

During the quarter, Aurora Labs strengthened its governance and leadership structure to support its next phase of growth, particularly within the defence and advanced propulsion sectors. The Company completed a Board restructure with the appointment of Mr David Trimboli as Chairman, bringing extensive international commercial, investment and commodities experience, alongside a strong track record in building global partnerships. As part of the restructure, Non-Executive Director Andrew Garth was elevated to Executive Director – Strategy & Strategic Partnerships, reflecting the increasing importance of strategic defence relationships and commercial execution as the Company advances its UAS propulsion initiatives.

Board renewal was completed in November, with Non-Executive Directors Ashley Zimpel and Grant Mooney stepping down, and Chief Executive Officer Rebekah Letheby appointed to the Board as an Executive Director. Ms Letheby continues in her role as CEO and brings deep technical expertise and long-standing defence relationships, strengthening Board capability as the Company transitions toward scaled manufacturing and commercialisation. Collectively, these changes enhance Board alignment with Aurora's strategic focus on defence partnerships, advanced manufacturing and propulsion system development, while positioning the Company to pursue multiple near-term commercial opportunities

\$5.5m placement to advance drone propulsion development including a strategic investment from SPS:

A3D completed a \$5.5m capital raise, via a two-tranche placement to institutional and sophisticated investors. The placement was upsized due to strong demand and cornerstoned by Sovereign Propulsion Systems (SPS), reflecting growing investor confidence in the Company's propulsion technology and its relevance to defence and UAS markets.

New capital is being utilised to accelerate development and testing of Aurora's propulsion systems, expand manufacturing capability at the Company's Canning Vale facility, and provide working capital to support execution of key technical and commercial milestones through CY26.

Finance and Cash Position

The Company's cash balance at the end of the quarter stood at \$3,649,000 showing strong fiscal discretion even



as we continue to invest in critical manufacturing equipment and stock to produce engines.

In June '25, the Company received its first tranche of awarded DID-G grant monies, which was used to fund a deposit of production capital equipment. The remainder of this purchase was paid in the December quarter. The balance of the grant funding to be paid to Aurora will be finalised prior to the end of financial year by government.

During the quarter, related party payments were approximately \$219K including director and company secretary fees paid from the approved pool of fees as approved by shareholders.

On Dec 23, 2025 the Company also issued 14,681,487 fully paid ordinary shares following the conversion of 14,681,487 shareholder options with an exercise price of \$0.045 and expiry 22 December 2025.

-ENDS-

This announcement has been approved for release by the Company's Board of Directors

ABOUT AURORA LABS

Aurora Labs Limited ("the Company"), an industrial technology and innovation company that specialises in provision of 3D metal printed parts for Defence, Oil and Gas and Resources applications, the development of 3D metal printers, powders, and associated intellectual property. The Company is developing advanced propulsion systems for Unmanned Aerial Systems (UAS) for the Defence sector.

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

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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”)

31 December 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	36	177
1.2 Payments for		
(a) research and development	(542)	(653)
(b) product manufacturing and operating costs	(2)	(17)
(c) advertising and marketing	(36)	(38)
(d) leased assets		
(e) staff costs	(640)	(1,280)
(f) administration and corporate costs	(571)	(949)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives	3	927
1.8 Other		
1.9 Net cash from / (used in) operating activities	(1,752)	(1,833)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment	(870)	(996)
(d) investments		
(e) intellectual property		

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Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 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	(870)	(996)
3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities) (See Note 1 below)	5,500	5,500
3.2 Proceeds from issue of convertible debt securities		
3.3 Proceeds from exercise of options	736	736
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(337)	(337)
3.5 Proceeds from borrowings	-	(500)
3.6 Repayment of borrowings	(28)	33
3.7 Transaction costs related to loans and borrowings	(1)	(22)
3.8 Dividends paid		
3.9 Other (repayment of leases)	(42)	(84)
3.10 Net cash from / (used in) financing activities	5,828	5,326

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	447	1,156
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,752)	(1,833)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(870)	(996)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	5,828	5,326
4.5	Effect of movement in exchange rates on cash held	(4)	(4)
4.6	Cash and cash equivalents at end of period	3,649	3,649

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	3,649	447
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)	3,649	447

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	(219)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

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.

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
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)		(1,752)
8.2	Cash and cash equivalents at quarter end (item 4.6)		3,649
8.3	Unused finance facilities available at quarter end (item 7.5)		-
8.4	Total available funding (item 8.2 + item 8.3)		3,649
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)		2.08 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>		
	<i>Note 1: R&D Tax Refunds of \$924K received during the quarter are not recurring and have resulted in lower than normal net outflows. Following the end of the Quarter, the Company announced 14 October 2025 a \$5.5 million share placement with \$3.1 million (Tranche 1) received prior to the end of the Quarter and the remaining \$2.4 million (Tranche 2) due in late November 2025.</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?		
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: 30th January 2026

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.