



ASX Announcement

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Chief Executive Officer

REBEKAH LETHEBY

Aurora Labs Quarterly Report and Appendix 4C, Quarter Ending 30 Dec 2024

Highlights:

- **Novel propulsion engine contract awarded by Commonwealth Government**
- **Testing of new materials, as third contract awarded for advanced materials printing from Defence**
- **Continued engagement and growth in Defence sector, with strong momentum for industrial printing services and printed products**
- **Capital raising completed to support production to expand print capability for future Defence related print works, and working capital**
- **Successful display at LandForces Defence Conference**

CONTACT DETAILS

41-43 Wittenberg Drive

Canning Vale, WA

AUSTRALIA 6155

enquiries@auroralabs3d.com

t. +61 (0)8 9434 1934

auroralabs3d.com

Aurora Labs Limited ("A3D" or "the Company") (ASX:A3D), is pleased to provide its quarterly report to shareholders and appendix 4C for Q2 FY2025.

Commenting on activities, CEO Rebekah Letheby said:

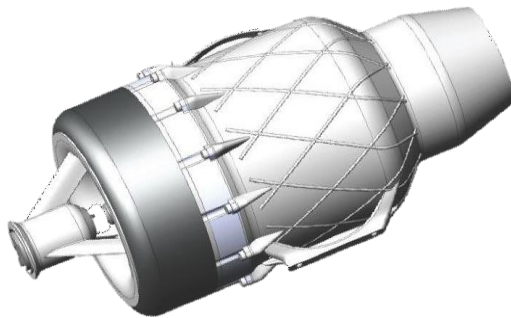
"Since the start of FY24-25 the Aurora Labs team has been strongly focused on the fast implementation of an alignment strategy to printed propulsion systems for Defence and other industries, that it's increasingly seeing a steady and improvement of Company performance.

A3D as the original designer and product maker of the only sovereign built laser powder bed fusion machine, alongside its new printed propulsion engine products is pushing A3D to the forefront of disrupting traditional micro gas turbine making supply chains. We are building asymmetric advantage and leveraging our own local supply chains to add benefit and lower costs in a growing market. As we look to win contracts for the micro gas turbine, throughout 2025, I see a very bright future ahead."

Micro Gas Turbine (MGT)

Aurora Labs has achieved significant milestones in its micro gas turbine program this quarter, with further successful test flights and bench testing demonstrating the performance and reliability of our propulsion systems. The team has now moved towards scaling production capabilities, with strong customer interest signaling future orders which we are working towards materialising in the near future.

In line with our strategic objectives, we are expanding our focus to include larger volume production opportunities in the UAV and energy sectors. Recent customer demonstrations have highlighted the unique advantages of our additive manufacturing capabilities, with key decision-makers showing a strong interest in adoption of our products and industrial printing services.



Case designs developing for the Micro Gas Turbine

Industrial Print Services Bureau

Aurora Labs remains focused on building revenues from its print services business, and delivered a strong quarter of print services activity, based on its manufacturing capabilities at A3D's Canning Vale facility. The Company served customers in the Defence, Resources, and Oil & Gas industries throughout the quarter.

As A3D's Industrial Print Services Bureau continues to gain traction, with the \$300,000 purchase order secured for services to design and print a novel propulsion system for the Commonwealth Government of Australia (ADF), marking a significant milestone. This project showcases A3D's propulsion systems and advanced additive manufacturing capabilities, enabling complex geometries and performance enhancements that traditional manufacturing methods cannot achieve.

Our work in this space reinforces A3D's reputation as an innovative leader in the sovereign manufacturing landscape,



supporting the Commonwealth's objectives for advanced aerospace propulsion solutions. The project also underscores the strategic importance of our 3D metal printing capabilities, further driving demand from defence and industrial customers alike.

The ongoing refinement of our printing processes and the addition of new materials development continue to enhance our ability to provide cost-effective, high-quality solutions to customers. A3D remains focused on delivering further milestones under this strategic collaboration, ensuring the Commonwealth benefits from innovative propulsion technology tailored for critical applications.

A3D is also actively collaborating with potential defence sector customers to expand its micro gas turbine (MGT) engine offerings, including the development, and testing of 400N and 800N thrust-class engines. These efforts align with A3D's strategic goal of providing scalable propulsion solutions that grow our product offering and meet the evolving needs of defence applications. By leveraging our proprietary 3D metal printing technology, A3D aims to optimise production efficiency, reduce lead times, and enhance the performance of these engines to meet stringent standards.

The ongoing engagement with customers and stakeholders allows A3D to conduct comprehensive testing and validation of its expanding micro gas turbine product family. Collaborations with government and industry partners are driving the refinement of critical engine components, with a focus on improving fuel efficiency, thermal efficiency, and operational reliability under demanding conditions.

A3D's efforts to broaden its micro gas turbine product line represent a significant step forward in supporting sovereign defence capabilities. The 400N and 800N engine sizes are particularly suited to next-generation UAVs and tactical air systems, providing enhanced operational capabilities and cost efficiencies for defence forces.



AL250 Printer Prepared for Aluminium Printing



Defence Engagement for Printing Services

A3D has entered its third round of printing for the Australian Government's Department of Defence to supply experimental metal alloy 3D printed parts. The earlier stages of the projects' printed materials have recently been undergoing testing by the Commonwealth.

This testing will allow further targeting of specific and specialised material requirements as researchers in advanced materials look to achieve and enhance particular material properties and capabilities for specific applications needs.

Through continuous innovation and strategic customer engagement, Aurora Labs is well-positioned to become a key enabler of cutting-edge propulsion technologies within the defence sector.

AL250 Printer, Research and Development Advancements

The technical team are expanding the range of metal powders utilized in the AL250 printer and conducting trials, alongside working to support bureau production tasks. The team has made significant advancements in printing with the AL250 through the past months, now trialing the printing of aluminum composite alloys. The focus is on optimising the printed microstructure and mechanical properties of these materials to achieve superior strength-to-weight ratios, corrosion resistance, and thermal performance. Leveraging additive manufacturing (AM) techniques, the Company aims to develop lightweight, high-performance components that can withstand the demanding operational environments of aerospace systems while offering cost-effective production advantages.

This work aligns with aerospace standards, and the Company is actively engaged in certification processes to ensure compliance with 9001 and other industry benchmarks.

Business Development Activities



Attendees at the A3D Stand at LandForces Defence Conference



A3D's participation at the LandForces Conference in Melbourne has provided substantial opportunities to engage with defence primes and government stakeholders. These events have allowed the Company to showcase its technological capabilities and reaffirm its position as a leader in additive manufacturing solutions for aerospace and defence applications.

Looking ahead, Aurora Labs is committed to furthering Australia's sovereign manufacturing capabilities by pioneering innovative materials and processes that support business development targeting next-generation propulsion systems, supporting UAVs, and space applications. Collaborations with leading research institutions and aerospace partners are central to driving the adoption of advanced additive manufacturing technologies, ensuring a sustainable and competitive edge in the global aerospace sector.

CEO Rebekah Letheby commented:

"The LandForces Conference have been pivotal in strengthening our relationships within the defence sector. We are witnessing an increasing demand for reliable, locally manufactured propulsion systems, and our micro gas turbines are gaining substantial traction. We are confident that these engagements will lead to material orders in the near term."

A further program of engagement will continue with customers, as we look to attend the 2025 Avalon Airshow, in Victoria to exhibit at the tradeshow with support from Defence West.

Corporate, Finance and Cash Position

Aurora Labs secured additional funding through a \$2.0 million placement, which will primarily support expanding printing capabilities at our Canning Vale facility, resourcing skilled staff, and accelerating the production pipeline for micro gas turbine units.

The Company's cash balance at the end of the quarter stood at \$2,202,719 reflecting prudent fiscal management as we continue to invest in critical growth initiatives. During the quarter, related party payments were approximately \$84,890, including director fees paid from the approved pool of fees as approved by shareholders. Funds were received in the quarter for printing services stood at \$266,009.

Looking Ahead

With the momentum gained through recent strategic activities, Aurora Labs is poised for an exciting 2025. Key focus areas for the next quarter include:

- Progressing negotiations with key defence and industrial customers for potential micro gas turbine orders.
- Continuing R&D advancements to optimise the efficiency and reliability of our propulsion systems.
- Advancing certification to further solidify our position as a trusted supplier to the aerospace and defence markets.

Ends

ASX CODE: A3D

ACN: 601 164 505

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

For further information, please contact: Rebekah Letheby, 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 provision of 3D metal printed parts for Defence and Oil & Gas & resources applications, the development of 3D metal printers, powders, and 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")
31 December 2024

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	268	314
1.2 Payments for		
(a) research and development	(312)	(428)
(b) product manufacturing and operating costs	(89)	(95)
(c) advertising and marketing	(23)	(27)
(d) leased assets		
(e) staff costs	(552)	(1,044)
(f) administration and corporate costs	(190)	(547)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid	-	(8)
1.6 Income taxes paid		
1.7 Government grants and tax incentives	-	640
1.8 Other		
1.9 Net cash from / (used in) operating activities	(898)	(1,195)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment	(103)	(27)
(d) investments		
(e) intellectual property		

Quarterly cash flow report for entities subject to Listing Rule 4.7B

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	(103)	(27)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities) (See Note 1 below)	2,000	
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	154	113
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(84)	
3.5	Proceeds from borrowings	-	65
3.6	Repayment of borrowings	(30)	(252)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (repayment of leases)	(41)	(41)
3.10	Net cash from / (used in) financing activities	1,999	(115)

Quarterly cash flow report for entities subject to Listing Rule 4.7B

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,207	1,647
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(898)	(1,195)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(103)	(131)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,999	1,883
4.5	Effect of movement in exchange rates on cash held	(2)	(1)
4.6	Cash and cash equivalents at end of period	2,203	2,203

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	2,203	1,207
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)	2,203	1,207

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	(87)
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>		

Quarterly cash flow report for entities subject to Listing Rule 4.7B

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)	(898)
8.2 Cash and cash equivalents at quarter end (item 4.6)	2,203
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	2,203
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	2.5 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: 28 January 2025

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.