



## Titomic signs AUD\$25.5M sales contract with Global Defence Product Manufacturer

- AUD\$25.5M Equipment sale agreement for two Titomic Kinetic Fusion (TKF) Metal AM Systems
- Certification for the defence related products (NATO Replacement Parts) produced using TKF
- TKF Manufacturing System, world's fastest metal additive manufacturing at 75kg per hour

**Melbourne, Australia, Wednesday 26<sup>th</sup> February:** Australian Industrial Scale Additive Manufacturing Company, Titomic Limited (ASX: TTT) ("Titomic or "Company"), has entered into a binding agreement with Composite Technology, an Australian R&D and commercialisation division of a global defence product manufacturer. This contract will generate AUD\$25.5\* million in sales for Titomic from the provision of two Titomic Kinetic Fusion® ("TKF") Systems for industrial scale metal additive manufacturing.

Under this agreement, Composite Technology provides products and component parts with certification for the defence related products (NATO Replacement Parts) for quality assurance related to the design, development and production process. The TKF manufacturing process will be certified in conformance with approval for Composite Technology to deliver defence products to the global defence market.

Composite Technology required two years of extensive research and prototyping by Titomic to guarantee the fulfilment of quality assurance requirements for the design, development and production capability of the TKF manufacturing system. Titomic is now pleased to announce the commercialisation of these R&D efforts, as previously announced, establishing Titomic by these measures as the global leader in the industrial scale metal additive manufacturing process. This AUD\$25.5\* million sales contract for TKF Systems and certification for Titomic Kinetic Fusion will open up further large revenue opportunities with strong industry partnerships in high-margin industries such as the defence sector.

Composite Technology will receive 7.5 million Titomic options<sup>1</sup> upon entering into a Joint Cooperation Agreement (JCA) that will develop certified manufacturing processes for defence related products with the TKF manufacturing systems for industrial scale metal additive manufacturing. In addition, as part of the JCA, Composite Technology and Titomic will jointly develop new material technology and manufacturing process IP, exclusively utilising Titomic's Kinetic Fusion manufacturing systems for defence products.

Composite Technology will receive an additional 7.5 million Titomic options<sup>2</sup> for providing certification for the quality assurance requirements for the design, development and production of defence related products (NATO Replacement Parts) manufactured using Titomic TKF Manufacturing Systems.

**Commenting on the agreement, Managing Director of Titomic, Mr. Jeff Lang, stated:**

*This is a significant milestone for Titomic, on signing this sales contract with Composite Technology further validates the exceptional work the staff at Titomic have achieved in creating the world's largest and fastest metal additive manufacturing TKF systems.*

*I would like to thank the Composite Technology team, and Founder Mr. Anthony Khouri, for partnering with Titomic to purchase and implement our TKF systems for the sustainable metal manufacturing of their products for the global defence market.*

*I am very proud to see the commercial realisation of TKF as an Australian advanced technology that's leading the world in industrial scale metal additive manufacturing.*

**Commenting on the agreement, the Founder of Composite Technology, Mr. Anthony Khouri stated:**

*"Composite Technology is pleased to partner with Titomic to introduce Titomic Kinetic Fusion manufacturing systems into its current manufacturing process. This partnership will enable more effective, efficient and sustainable manufacturing solutions and will increase capacity in the area of defence related product and component development that will provide significant revenue opportunities for both parties."*

\* Based on USD\$.16.8 million (USD: AUD FX rate as of 24 February 2020 (Bloomberg)).

--- END ---

**Contacts:**

Peter Vaughan  
Company Secretary & COB  
Ph: +61 (0)3 9822 2222  
peter.v@titomic.com

**Media Enquires:**

Trish Nicklin  
Titomic Media Manager  
+61 (0)413 992 909  
Trish.Nicklin@shedconnect.com



**About Titomic Limited:**

Titomic Limited (ASX:TTT) is an Australian public company specialising in digital manufacturing solutions for industrial scale metal additive manufacturing using its patented Titomic Kinetic Fusion® (TKF) technology. The TKF technology provides unique capabilities for producing commercially viable additively manufactured metal products competing directly with traditional manufacturing methods. Titomic provides OEM production and R&D services from their TKF Smart Production Bureaus to the global Aerospace, Defence, Shipbuilding, Oil & Gas, Mining and Automotive industries. Titomic also provides an extensive range of metal powders for 3D Printing especially Titanium and super alloys whilst providing sales and support services for their TKF production systems.

For more information please visit: [www.titomic.com](http://www.titomic.com)

**Forward-looking statements:**

Certain statements made in this release are forward-looking statements and are based on Titomic's current expectations, estimates and projections. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," "guidance" and similar expressions are intended to identify forward-looking statements. Although Titomic believes the forward-looking statements are based on reasonable assumptions, they are subject to certain risks and uncertainties, some of which are beyond Titomic's control, including those risks or uncertainties inherent in the process of both developing and commercialising technology. As a result, actual results could materially differ from those expressed or forecasted in the forward-looking statements. The forward-looking statements made in this release relate only to events as of the date on which the statements are made. Titomic will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this release except as required by law or by any appropriate regulatory authority.

**1 Tranche One Options**

Class: Unlisted Options  
Quantity: 7,500,000 options over fully paid ordinary shares in Titomic Limited  
Exercise Price: Each option will be exercisable at a price per option equal to a 10% premium to the Titomic February 2020 capital raising price per share.  
Expiry Date: 25 February 2022  
Vesting Condition: Vesting immediately upon Titomic and Composite executing a Joint Cooperation Agreement for Composite to share its technology and manufacturing processes including intellectual property and knowhow of defence products with Titomic, with the parties to develop the new manufacturing method and process to produce Composite's defence products.  
Issuing Condition: To be issued under Titomic's available Listing Rule 7.1 and 7.1A placement capacities.

**2 Tranche Two Options**

Class: Unlisted Options  
Quantity: 7,500,000 options over fully paid ordinary shares in Titomic Limited  
Exercise Price: Each option will be exercisable at a price per option equal to a 40% premium to the Titomic February 2020 capital raising price per share.  
Expiry Date: 25 February 2022  
Vesting Condition: Options will vest immediately upon Composite providing Titomic with certification for the manufacturing process using the TKF Manufacturing System's technology.  
Issuing Condition: The issuance of Tranche Two Options to Composite is subject to receipt of shareholder approval being obtained at the next meeting of Titomic shareholders