

Appendix 4D



AML3D®

Under ASX Listing Rule 4.2A.3
29 February 2024

For the half-year ended:

31 December 2023

Previous Corresponding Period:

31 December 2022

Results for announcement to the market

Revenue and Profit	31 Dec 2023 \$	31 Dec 2022 \$	Mvmt \$	Mvmt %
Revenue from ordinary activities	1,514,195	146,115	1,368,080	936%
Net profit/(loss) from ordinary activities attributable to members	(3,424,041)	(2,623,697)	(800,344)	(31%)
Net profit/(loss) attributable to members	(3,424,041)	(2,623,697)	(800,344)	(31%)

Commentary on results for the period

Refer to the Operating Results section in the Directors' Report in the attached Interim Report for commentary on results.

Dividends

No dividends were declared or paid during the period.

Net tangible assets per ordinary share

	31 Dec 2023 \$	31 Dec 2022 \$
Net tangible assets per ordinary share	0.016	0.035

Details of entities over which control has been gained

Nil

Information on Audit or Review

Independent Review by Auditor

This report is based on the attached Interim Report for the half-year ended 31 December 2023, which has been reviewed by William Buck. The review report is attached as part of the Interim Report.

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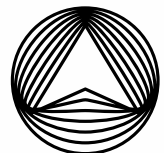
Interim Report

for the half-year ended
31 December 2023

ACEMY®
BY AML3D

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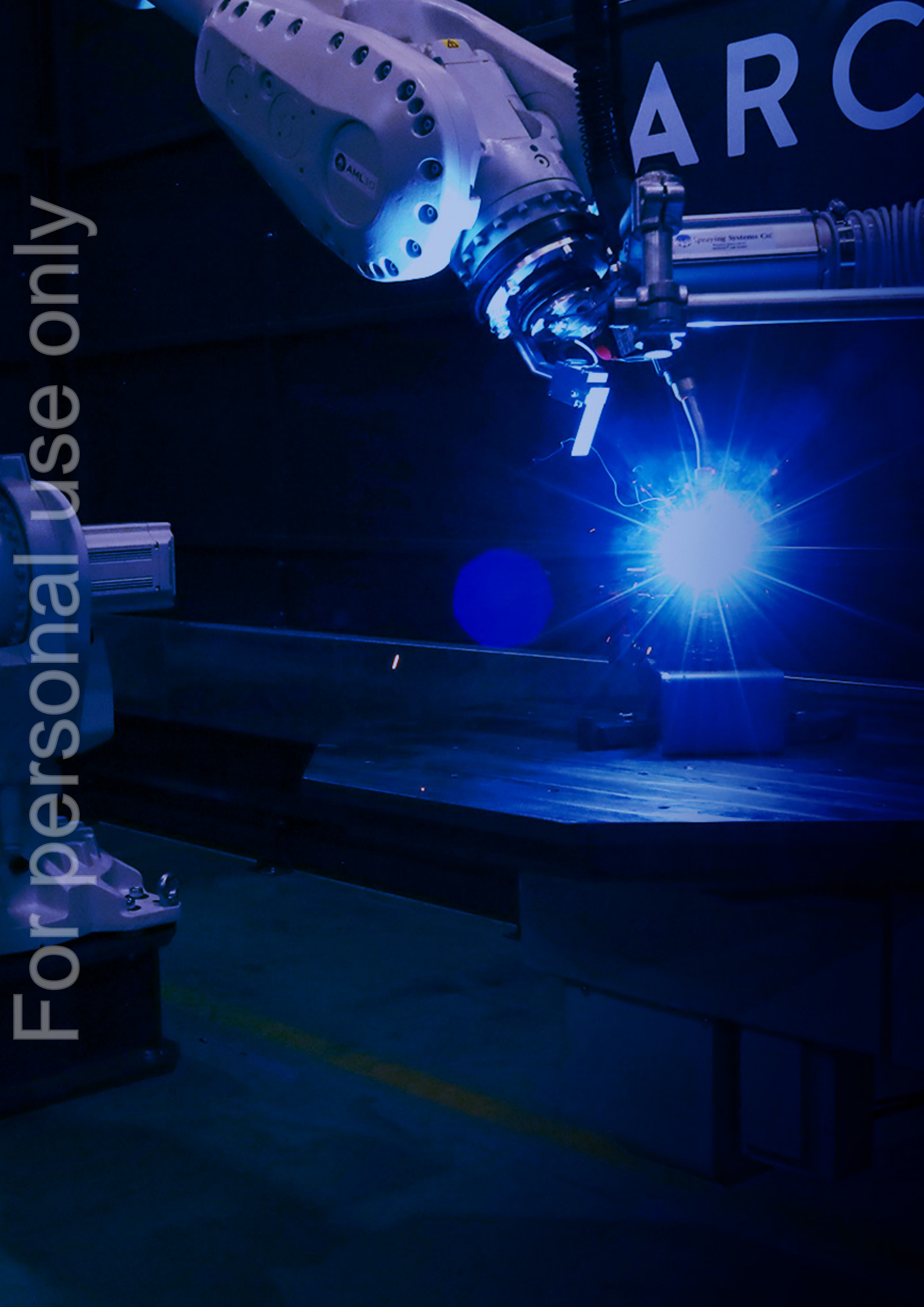
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Directors' Report

For the half-year ended 31 December 2023



Noel Cornish AM, Non-Executive Chairman

The Directors of AML3D Limited ("Company" or "AML3D") present their report, together with the interim financial statements of the Company and its controlled entity ("the Group") for the half year ended 31 December 2023 ("interim financial period").

Directors

The following persons were Directors of the Company during the interim financial period and to the date of this report:

Noel Cornish	Non-executive Chairman
Sean Ebert	Executive Director
Andrew Sales	Executive Director
Peter Siebels	Non-executive Director Appointed 15 January 2024

Directors have been in office since the start of the interim financial period to the date of this report unless otherwise stated.

Principal activities

The principal activities of AML3D during the financial period were to;

- Design and construct ARCEMY® 3D printing modules for sale or right to use with an option to buy;
- Design and construct 3D parts using Wire Additive Manufacturing technology; and
- Research and development into the refinement of the Company's products, including alternative applications.

No significant changes in the nature of the Company's activity occurred during the interim financial period.

Operating and Financial Review

Review of operations

AML3D's strategy of disrupting metal fabrication supply chains using the Company's patented Wire Additive Manufacturing, WAM®, technology delivered record cash receipts of A\$4.83 million and over A\$9.5 million of orders during the first half of the 2024 financial year (1H2024) contributing to over A\$12 million of orders in CY2023. The strong growth in AML3D's order book reflects the continuing momentum of AML3D's US 'Scale up' strategy, which is delivering contract wins in support of the US Department of Defence, in particular the US Navy's submarine industrial base.

AML3D's WAM® technology combines state-of-the-art welding science, robotics automation, materials engineering and

proprietary software to provide advanced, automated 3D manufacturing solutions. WAM® technology is integrated into AML3D's ARCEMY® industrial scale metal 3D printing systems. The US 'Scale up' strategy is focused on sales of ARCEMY® systems as point of need advanced manufacturing solutions, which delivers components more efficiently, cost-effectively and with better ESG outcomes when compared to traditional casting, forging and billet machining processes. The Company also continues to support its customer base with metal 3D printing design and engineering services, alloy characterisation and testing, software licensing, technical support, consumable sales and contract manufacturing services.

Key activities during the half year included:

- A\$2.2 million order for the largest ever custom built ARCEMY® system for Austal USA's purpose-built Advanced Manufacturing Centre.
- A\$2.0 million contract to develop and metal 3D print a replacement for a high demand US Navy submarine component no longer available from traditional manufacturers, addressing supply chain constraints.
- A\$1.1 million industrial-scale ARCEMY® 'X-Edition 6700' system (ARCEMY® X) to be located at the US Navy's Additive Manufacturing Centre of Excellence in Danville, Virginia.
- A\$0.6 million prototype, 1 tonne, Nickle-Aluminium-Bronze (NAB) component order to support the US Navy's submarine program.
- A\$0.3 million ARCEMY® system lease order from US Navy submarine component partner, Laser Welding Solutions, further embedding ARCEMY into the US Navy supply chain.
- A series of Nickel-Aluminium-Bronze and Copper Nickel alloy characterization and strength testing contracts to support the US Navy's submarine program.
- Prototype part manufacture and testing contracts to support BAE Systems Maritime Australia's Hunter class frigate program for the Royal Australian Navy.
- Production of high-strength, corrosion-resistant steel subsea pipeline fittings for Chevron Australia, building on AML3D's track record of advanced manufacturing for the Oil and Gas industry.
- Appointments of Mr Sean Ebert as Managing Director and CEO and Mr Pete Goumas to the new role of President of US Operations.
- Expansion of international protection for AML3D's WAM® process through the granting of European and Indian Wire Additive Manufacturing process patents.



Growth Strategy

The primary focus of AML3D's growth strategy is accelerating the sale of our industrial scale proprietary ARCEMY® metal 3D printing systems as point-of-need manufacturing solutions for customers across the defense, maritime and aerospace sectors. The significant growth in ARCEMY® systems sales during 1H2024 was complimented and supported by the high utilization of AML3D's contract manufacturing facilities to produce prototype components and run alloy testing programs. This combination of ARCEMY® systems sales and contract manufacturing orders is designed to create a sustainable business with a reliable, predictable and expanding revenue base.

The main driver of the growth in ARCEMY® systems sales in 1H2024 has been AML3D's US 'Scale up' strategy. The US 'Scale-up' strategy was developed to address the significant and growing demand within the US, the largest and fastest growing additive manufacturing market in the world, for advanced, point of need, manufacturing solutions. AML3D's response to this demand has been to accelerate sales of our ARCEMY® systems to the US Department of Defence and its supplier network, in support of the US Navy's Submarine industrial base. The ARCEMY® sales to the US Navy are being supported by contract manufacturing orders for prototype parts and alloy testing to US Navy standards.

Supporting the US Navy

During 1H2024, an ARCEMY® X-Edition 6700 system, AML3D's largest ARCEMY® system, was supplied to the US Navy's Additive Manufacturing Centre of Excellence in Danville, Virginia. This follows the sale of an ARCEMY® X to the Oak Ridge National Laboratory in Tennessee, a major partner to the US Navy. The installation and commissioning of the Oak Ridge ARCEMY® 'X' was completed during 1H2024. In parallel, AML3D signed contracts to run a series of Nickle-Aluminium-Bronze ('NAB') and Nickle-Copper ('CuNi') alloy testing and characterisation programmes for the US Navy. NAB and CuNi are two of the 6 ARCEMY® alloys of interest to the US Navy's submarine industrial base.

AML3D is also progressing orders to produce replacement parts to support the US Navy's submarine industrial base. The Company's contract manufacturing operations are designing and manufacturing a high demand, non-safety-critical replacement component used in US Navy submarines. The component is no longer available from the Original Equipment Manufacturer, which has created an opportunity for AML3D to demonstrate its advanced manufacturing technology can address supply chain challenges. AML3D's is also fulfilling an order to manufacture a circa 1 tonne, NAB component for the US Navy's submarine program, which will demonstrate the potential for AML3D's technology to be used to supply an even broader range of US Navy submarine parts.

AML3D is considering establishing US based facilities to support the growth in Defence orders and acceleration of ARCEMY® sales, in particular to support the US Navy's submarine industrial base. Preliminary steps in establishing US operations were taken in 1H2024, with the appointment of Sean Ebert as CEO, supported by Pete Goumas in the new role of President of US Operations.

Accessing the Wider US Navy Supplier Base

The US 'Scale up' strategy leverages AML3D's successes in supporting the US Navy's submarine industrial base to drive additional sales into the wider US Navy supplier base. The first ARCEMY® order by a US Navy supplier was secured in 1H2024 when Laser Welding Solutions ('LWS') leased, with the option to buy, an ARCEMY 2600 edition system. The 2600 edition is AML3D's smallest, industrial scale, metal 3D printing system capable of producing NAB component for US Navy applications.

The LWS order has been followed by the sale of another, large scale, ARCEMY® X-Edition 6700 system to Cogitic Corporation. Cogitic is a supplier of componentry to the US Navy Submarine Industrial base that specialises in the engineering and manufacture of complex geometry components and assemblies.

During 1H2024, AML3D also received an order for a largest ever, custom built, ARCEMY® system for Austal USA Advanced Technologies' facility. This custom built ARCEMY® system will be based on the ARCEMY® X but, when installed, will weigh approximately 11 tonnes, with a linear rail of over 4 meters. Austal USA Advanced Technologies operates the U.S. Navy's flagship for additive manufacturing facility for the construction of the next generation of ships and boats.

Broader Growth Objectives

The success to date of the US 'Scale up' strategy has created the platform from which to expand AML3D's technology and services to additional branches of the US Defence forces and US based Global Tier 1 corporates. Austal USA is investing in AML3D's advanced ARCEMY® technology to help support the US Navy but also multiple shipbuilders, maintenance providers, the U.S. Coast Guard, the Royal Navy, and the Royal Australian Navy across a broad range of military ships deployed in the U.S. and its ally fleets. Cogitic, who ordered an ARCEMY® X system to supply components to the US Navy, is also a supplier to the civilian Oil & Gas sector, a key target market within the wider US 'Scale up' strategy and AML3D's broader growth strategy.

AML3D's Australian operations continue to strengthen the relationship with its existing Oil & Gas, Aerospace and Marine Defence customers. In 1H2024, AML3D progressed the contract to produce high-strength, corrosion-resistant, steel subsea pipeline fittings for the Australian division of Oil & Gas major Chevron. AML3D has also expanded its relationships with BAE Systems Maritime Australia in 1H2024, with a contract to create a new prototype part

to support of Hunter class frigate program. The contract follows the already competed feasibility and commercial validation testing programs for BAE Systems Maritime Australia to demonstrate ARCEMY® is a cost-effective advanced manufacturing solution that meets the Royal Australian Navy's standards.

Another key target for growth is the Aerospace industry. AML3D has established a good relationship with the Global, Tier 1 civil and defence aerospace company, Boeing through a series of contracts to produce test parts, and site inspections of AML3D's contract manufacturing facilities in Adelaide. The Company has concluded the project to demonstrate AML3D meets Aerospace Quality Management System, AS9100D:2016 standards and has received accreditation subsequent to period end. AS9100D accreditation gives AML3D a significant competitive advantage when bidding for aerospace contracts, as the company is only the second advanced wire arc manufacturer to achieve this standard.

AML3D's broader growth strategy includes accelerating US sales through establishing US based facilities. Establishing US based operations is expected to help to build on the success, to date, in supplying ARCEMY® systems and contract manufacturing services to support the US Navy's submarine industrial base and create opportunities to access sensitive ITAR Defence contracts, additional branches of the US Defense forces and US based Global Tier 1 corporates.

A US-based contract manufacturing capability would also create additional capacity for component and alloy testing contracts to demonstrate the advantages of AML3D's advanced manufacturing technology. AML3D's Adelaide contract manufacturing facility is operating at a high utilisation rate to deliver the existing prototyping and alloy testing orders.

Key to maintaining AML3D's position as a leading advanced additive manufacturing solution is continued protection of our technology and intellectual property ('IP'). In 1H2024, AML3D became the only additive manufacturing company to be granted a European process patent for the Company's method and apparatus for manufacturing WAM® 3D metal parts. AML3D also secured an Indian process patent, which follows the granting of similar patents in Australia and Japan. This continuing program to secure patent protection for AML3D's IP will support the Company's entry into other globally significant Defence, Marine and Aerospace markets over the medium term.

Operating Results and Financial Position

AML3D delivered record cash receipts for the first half of A\$4.83 million, resulting in positive operating cash flow of \$0.32 million, which is a reflection of the success of the US 'Scale Up' strategy, the expansion of our existing Australian defence industry relationships and the high utilisation of our contract manufacturing facilities to meet prototype parts and testing contracts.

Alligned with AML3D's growth strategy, addition investments have been made across the US and software development teams, contributing to an increase in Directors and employees benefit expense of \$1 million half on half.

Conversion of orders received to reported income remains a priority for the Company. Currently \$5.2 million of customer deposits have been received and are expected to be recognised as revenue when contract deliverables are achieved during CY2024.

The Company remains in a strong financial position with cash on hand, as at 31 December 2023 of \$4.2 million as we continue to build a self-sustaining business.

Outlook

AML3D's focus on the Company's US 'Scale up' strategy, alongside contract manufacturing for existing US and Australian customers, has delivered orders in excess of A\$12 million to date. The Company's Australian contract manufacturing facility is operating at a high utilisation rate but retains some additional capacity.

The momentum in the Company's US sales pipeline is continuing to build, as is demand for AML3D's advanced manufacturing systems and contract manufacturing capabilities across other global Defense, Marine and Aerospace markets. AML3D is confident it will convert this growing sales pipeline and demand into a substantial number of additional confirmed orders during FY2024.

Material Business Risks

Business risks with the potential to impact the Group's operations, financial results and its ability to deliver corporate objectives are disclosed in the Annual Report for the year ended 30 June 2023. There was no significant change in the Group's assessment of material business risks during the half-year ended 31 December 2023.

Significant changes in the state of affairs

There were no significant change in the state of affairs of the Company during the half-year.

There were no other significant changes in the state of affairs of the Group, other than as referred to in this report.

Subsequent events

Subsequent to the 31 December 2023, AML3D achieved AS9100D:2016 Quality Systems Accreditation ("AS9100D") for the Company's proprietary advanced manufacturing technology, WAM®. AS9100D demonstrates the Company operates to highest levels of quality, safety and reliability, as set out by the Aerospace industry and is expected to be a catalyst that accelerates AML3D's growth across new and existing Aerospace customers and markets.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of the directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors,



Noel Cornish AM
Non-Executive Chairman
28 February 2024

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Auditor Independence Declaration



Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of AML3D Limited

As lead auditor for the review of AML3D Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of AML3D Limited and the entities it controlled during the period.

William Buck

William Buck (SA)
ABN 38 280 203 274

M.D. King

M.D. King
Partner

Dated at Adelaide this 28th day of February 2024.

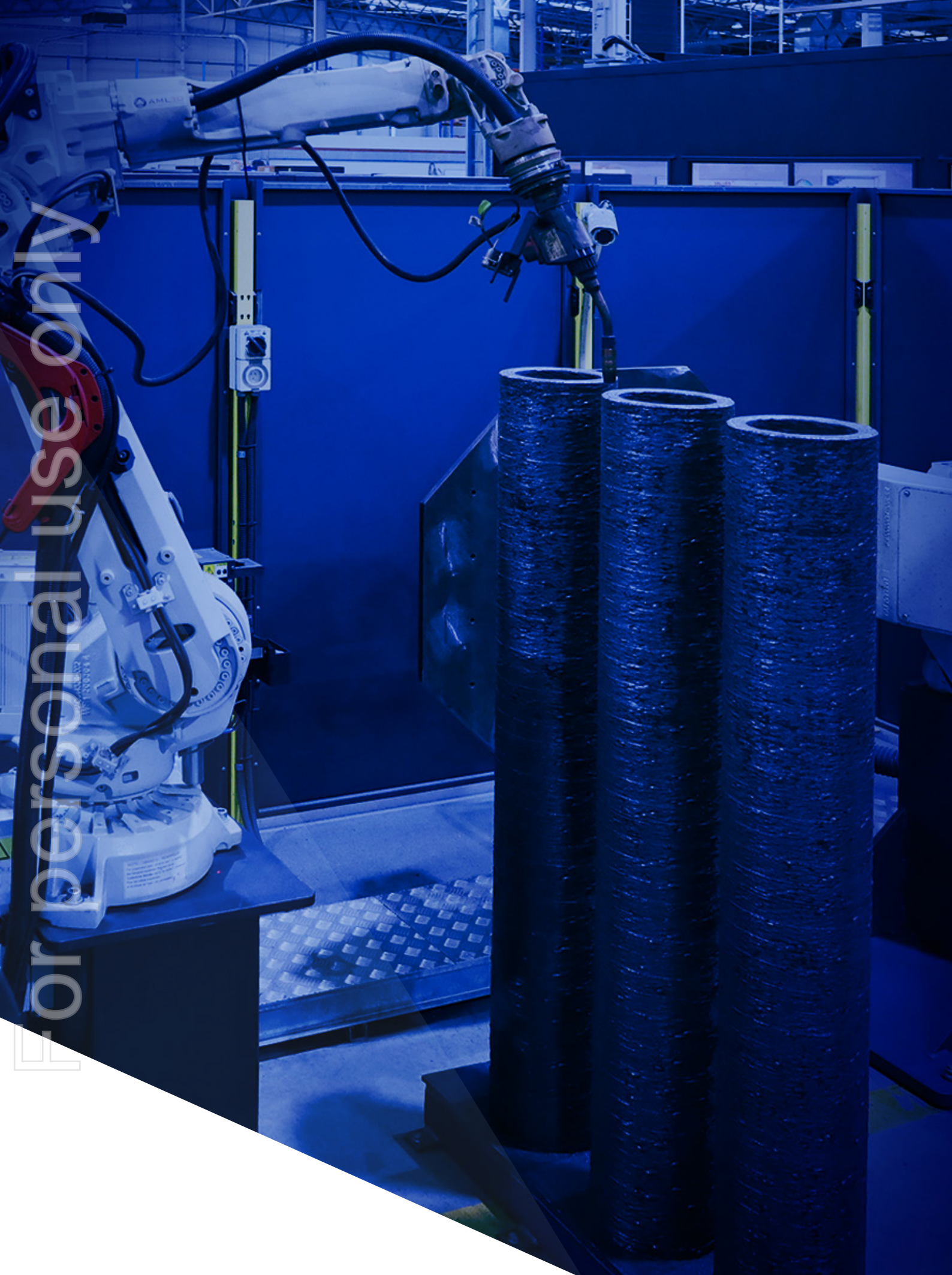
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Financial Statements

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General Information

The financial statements cover AML3D Limited as a consolidated entity consisting of AML3D Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is AML3D Limited's functional and presentation currency.

AML3D Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered Office

35 Woomera Avenue, Edinburgh SA 5111

Principal place of business

35 Woomera Avenue, Edinburgh SA 5111

A description of the nature of the consolidated entity's operations and its principal activities is included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 28th February 2024.

Consolidated Statement of Loss and Other Comprehensive Income

For the half-year ended 31 December 2023

	Note	31 Dec 2023 \$	31 Dec 2022 \$
Revenue	2	1,514,195	146,115
Cost of goods sold		(799,768)	(108,410)
Gross Profit		714,427	37,705
R&D tax offset		94,869	79,280
Interest received		23,075	33,856
Depreciation and amortisation expense		(373,262)	(343,685)
Directors and employees benefit expense		(1,975,638)	(995,761)
Interest expense		(10,938)	(13,854)
Marketing expenses		(25,208)	(22,465)
Occupancy costs		(53,285)	(58,418)
Professional fees expense		(679,114)	(502,517)
Research and development		(291,034)	(343,992)
Workshop expenses		(94,656)	(105,600)
Equity settled share based payments	9,10	(394,705)	(59,358)
Other expenses		(358,572)	(328,888)
Loss before income tax expense		(3,424,041)	(2,623,697)
Income tax		-	-
Loss after tax attributable to the owners of the Company		(3,424,041)	(2,623,697)
Other comprehensive (loss) net of tax		-	-
Total comprehensive loss for the year attributable to the owners of the Company		(3,424,041)	(2,623,697)
Basic and diluted loss per share (cents)		(1.5)	(1.4)

The Consolidated Statement of Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 31 December 2023

	Note	31 Dec 2023 \$	30 June 2023 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		4,178,618	4,533,957
Trade and other receivables	3	1,740,859	580,829
Inventory	4	1,836,438	1,031,404
Other financial assets		115,840	56,000
Other assets		344,872	222,550
TOTAL CURRENT ASSETS		8,216,627	6,424,740
NON-CURRENT ASSETS			
Property, plant and equipment	5	2,198,628	2,221,916
Right of use assets	6	1,058,580	158,116
Intangible assets		40,687	32,113
TOTAL NON-CURRENT ASSETS		3,297,895	2,412,145
TOTAL ASSETS		11,514,522	8,836,885
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	7	866,379	469,901
Contract liabilities	8	5,272,475	867,700
Borrowings		36,881	178,608
Lease liabilities		220,298	169,507
Employee benefits		260,965	167,409
TOTAL CURRENT LIABILITIES		6,656,998	1,853,125
NON-CURRENT LIABILITIES			
Lease liabilities		883,960	-
Employee benefits		77,742	58,602
TOTAL NON-CURRENT LIABILITIES		961,702	58,602
TOTAL LIABILITIES		7,618,700	1,911,727
NET ASSETS		3,895,822	6,925,158
EQUITY			
Issued capital	9	26,305,905	26,305,905
Accumulated losses		(23,543,411)	(20,119,370)
Reserves	9	1,133,328	738,623
TOTAL EQUITY		3,895,822	6,925,158

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2023

	Issued Capital \$	Share Options Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2022	20,641,272	672,965	(14,683,117)	6,631,120
Loss after income tax expense for the half-year	-	-	(2,623,697)	(2,623,697)
Shares issued during the half-year, net of transaction costs	2,509,787	-	-	2,509,787
Share options issued during the half year	-	59,358	-	59,358
Balance at 31 December 2022	23,151,059	732,323	(17,306,814)	6,578,568
Balance at 1 July 2023	26,305,905	738,623	(20,119,370)	6,925,158
Loss after income tax expense for the half-year	-	-	(3,424,041)	(3,424,041)
Shares options and performance rights issued during the half-year	-	394,705	-	394,705
Balance at 31 December 2023	26,305,905	1,133,328	(23,543,411)	6,576,568

The Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the half-year ended 31 December 2023

	Note	31 Dec 2023 \$	31 Dec 2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		4,825,776	157,929
Payments to suppliers and employees		(4,528,375)	(2,606,510)
Interest received		24,936	31,398
Finance costs		(4,847)	(13,854)
Net cash provided by / (used in) operating activities		317,490	(2,431,037)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from the sale of property, plant and equipment		500	50,885
Purchase of property, plant and equipment		(349,604)	(46,384)
Purchase of intangible assets		(21,176)	-
Payment for financial assets		(59,840)	-
Net cash provided by / (used in) investing activities		(430,120)	4,501
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from the issue of shares, net of costs		-	2,509,787
Repayment of borrowings		(141,848)	(143,453)
Repayment of lease liabilities		(100,861)	(94,474)
Net cash provided by / (used in) financing activities		(242,709)	2,271,860
Net increase / (decrease) in cash and cash equivalents held		(355,339)	(154,676)
Cash and cash equivalents at the beginning of half-year		4,533,957	2,933,432
Cash and cash equivalents at end of half-year		4,178,618	2,778,806

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the half-year ended 31 December 2023

1. Material Accounting Policy Information

This condensed consolidated interim financial report for the half-year reporting period ended 31 December 2023 has been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general-purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2023.

The annual financial report of the entity as at and for the year ended 30 June 2023 is available on the Company's website at www.aml3d.com.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

New or amended Accounting Standards and Interpretations adopted

There are none that have a material impact for the Group to consider for the reporting period ended 31 December 2023.

Going Concern

As at 31 December 2023, the Group had a net asset position of \$3,895,822 (30 June 2023: \$6,925,158) and cash and cash equivalents of \$4,178,618 (30 June 2023: \$4,533,957). The decrease in net assets from the prior year is the result of the Company continuing with the development of its technology whilst building its customer pipeline.

The Group expects that cash and cash equivalents on hand in conjunction with stringent controls over the net cash outflows from operating activities will be sufficient to cover ongoing operations for at least 12 months from the date of this report.

Moreover, the directors have proactively sought to improved cash performance via the following initiatives:

- continued focus on expanding revenue; and
- continued focus on cost containment in all areas of business.

As a result of the above matters, the Directors are of the view that the consolidated entity will continue as a going concern and therefore, will realise its assets and liabilities and commitments in the normal course of business and at the amounts stated in the financial statements. The Directors remain confident about the successful achievement of projected targets and therefore no adjustments have been made to these financial statements relating to the recoverability and classification of the asset carrying amounts or the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.

2. Revenue

	31 Dec 2023 \$	31 Dec 2022 \$
Sale of goods and services	1,514,195	146,115
Total Revenue	1,514,195	146,115
Timing of revenue recognition:		
Goods transferred at a point in time	1,509,195	91,982
Services transferred at a point in time	5,000	54,133
Total Revenue	1,514,195	146,115

3. Trade and Other Receivables

	31 Dec 2023 \$	30 Jun 2023 \$
Trade receivables	1,511,412	444,391
Less: Provision for impairment of receivables	(40,000)	(40,000)
	1,471,412	404,391
R&D Tax Offset Refund Due	266,073	171,204
Other receivables	3,374	5,234
Total	1,740,859	580,829

4. Inventory

	31 Dec 2023 \$	30 Jun 2023 \$
Finished goods	433,251	405,250
Work in progress	1,244,068	572,430
Raw materials	159,119	53,724
Total	1,836,438	1,031,404

5. Plant and Equipment

Cost	Office and Computer Equipment \$	Plant and Equipment \$	Plant and Equipment Held for Lease \$	Motor Vehicle \$	Leasehold Improvements \$	Total \$
Balance 1 July 2023	241,035	3,078,771	-	22,473	217,666	3,559,945
Additions	44,703	1,289	193,217	-	-	239,209
Disposals	-	-	-	-	-	-
Transfers between asset categories	-	(193,050)	154,297	-	-	(38,753)
Balance at 31 December 2023	285,738	2,887,010	347,514	22,473	217,666	3,760,401

Accumulated depreciation and impairment	Office and Computer Equipment \$	Plant and Equipment \$	Plant and Equipment Held for Lease \$	Motor Vehicle \$	Leasehold Improvements \$	Total \$
Balance 1 July 2023	145,220	1,115,133	-	12,085	65,591	1,338,029
Net depreciation expense	32,441	180,158	161	2,803	15,920	231,483
Transfers between asset categories	-	(59,857)	52,118	-	-	(7,739)
Balance at 31 December 2023	177,661	1,235,433	52,279	14,888	81,511	1,561,773

Net book value						
At 30 June 2023	95,815	1,963,638	-	10,388	152,075	2,221,916
At 31 December 2023	108,077	1,651,576	295,235	7,585	136,155	2,198,628

6. Right of Use Assets

In October 2023, the Group entered into a new leased agreement for Unit 3 & 4, 136 Mooring Avenue, North Plympton SA 5037.

The Group's lease portfolio comprises two leased building.

The first lease has a remaining term of 4 months. The second has a remaining term of 4 years and 10 months.

Options to extend or terminate are contained in the lease agreements. These clauses provide the Group opportunities to manage the leases in order to align with its strategies. All the extension or termination options are only exercisable by the Group. The extension options have not been included in the calculation of the lease liability.

i. AASB 16 related amounts recognised in the statement of financial position:

Right-of-use assets	31 Dec 2023 \$	30 Jun 2023 \$
Leased buildings	1,614,628	584,986
Accumulated depreciation	(556,048)	(426,870)
Net carrying amount	1,058,580	158,116

Movement in carrying amounts		
Leased buildings:		
Opening balance	158,116	347,836
Recognition of new lease agreement	1,029,642	-
Depreciation expense for the period	(129,178)	(189,720)
Net carrying amount	1,058,580	158,116

ii. AASB 16 related amounts recognised in the statement of loss:

Right-of-use assets	31 Dec 2023 \$	31 Dec 2022 \$
Depreciation charge related to right of use assets	(129,178)	(94,860)
Interest expense on lease liabilities	(9,282)	(8,042)

7. Trade and Other Payables

	31 Dec 2023 \$	30 Jun 2023 \$
Trade payables	549,790	231,249
Other payables and accrued expenses	316,589	238,652
Total	866,379	469,901

8. Contract Liabilities

	31 Dec 2023 \$	30 Jun 2023 \$
Customer deposits	5,272,475	867,700
Total	5,272,475	867,700

9. Equity

i. Issued Capital

	31 Dec 2023 \$	30 Jun 2023 \$
235,553,713 fully paid ordinary shares (30 June 2023: 235,553,713)	26,305,905	26,305,905

ii. Movement in Ordinary Shares

	31 Dec 2023	
	Number	\$
Balance at beginning of half year	235,553,713	26,305,905
Shares issued during the half year	-	-
Cost of the shares issued		-
Balance at end of half year	235,553,713	26,305,905

iii. Reserves

	31 Dec 2023 \$	30 Jun 2023 \$
Balance at beginning of half year	738,623	732,323
Share-based payment expense - Options issued	384,513	-
Share-based payment expense - Performance Rights issued	10,192	6,300
Balance at end of half year	1,133,328	738,623

The following table details the tranches of options outstanding as at 31 December 2023.

Number of Options	Grant Date	Expiry Date	Share Price at Grant Date	Exercise Price	Fair Value at Grant Date	Value
7,500,000	4 December 2019	4 December 2024	\$0.15	\$0.30	\$0.06	\$451,408
2,000,000	22 December 2022	22 December 2027	\$0.074	\$0.30	\$0.029	\$58,000
8,942,165	8 November 2023	8 November 2028	\$0.079	\$0.16	\$0.04	\$384,513
18,442,165						\$893,921

An expense of \$384,513 has been recognised during the half year.

The following table details the tranches of performance rights outstanding as at 31 December 2023.

Number of Performance Rights	Grant Date	Expiry Date	Share Price at Grant Date	Fair Value at Grant Date	Value
1,664,285	13 September 2023	13 September 2026	\$0.077	\$0.04	\$66,904
4,971,108	8 November 2023	8 November 2026	\$0.079	\$0.03	\$149,133
6,635,393					\$216,037

The Binomial valuation method was applied to determine the fair value of the performance rights. The value is being expensed as a share-based payment proportionally from grant date to expected vesting date. An expense of \$10,192 has been recognised during the half year.

10. Equity Settled Share-Based Payments

During the half year, the Company issued the following options and performance rights.

i. On 13 September 2023 the Company issued 1,664,285 unvested performance rights to key members of staff under an employee incentive scheme. The Binomial valuation method has been applied to determine a fair value of \$66,904 which is being expensed as a share-based payment proportionally from grant date to expected vesting date. The performance rights have an ending date of 13 September 2026 with vesting conditions as follows:

- Achievement of a Total Shareholder Return (TSR) Compound Annual Growth Rate (CAGR) of 45%.
- Continuity of employment during the vesting performance.

ii. On 8 November 2023 the Company issued 8,942,165 fully vested options to the following Directors and Key Management Personnel:

- Non-executive Chairman, Mr Noel Cornish; 2,000,000.
- Executive Director, Mr Sean Ebert; 2,000,000.
- Executive Director, Mr Andrew Sales; 2,000,000.
- President US Operation, Mr Pete Goumas; 2,942,165.

The options are exercisable at \$0.16 each on or before five years from the date of issue. The Black Scholes valuation method determined a fair value of \$384,513 which has been immediately expensed as a share-based payment.

iii. On 8 November 2023 the Company issued 2,285,714 unvested performance rights to the Chief Executive Officer, Mr Sean

Ebert. The number of performance rights granted to Mr Ebert was determined using the 'face value' methodology, that is, by dividing an amount equivalent to 40% of Mr Ebert's current total fixed remuneration of \$400,000 by a share price of \$0.07 for the base Long-term Incentive award. The Binomial valuation method has been applied to determine a fair value of \$68,571 which is being expensed as a share-based payment proportionally from grant date to expected vesting date. The performance rights have an ending date of 8 November 2026 with vesting conditions as follows:

- Achievement of a Total Shareholder Return (TSR) Compound Annual Growth Rate (CAGR) of 45%.
- Continuity of employment during the vesting performance.

At the Board's discretion vesting may occur at the time of achievement of each performance condition within the performance period.

iv. On 8 November 2023 the Company issued 2,685,394 unvested performance rights to the President of US Operations, Mr Pete Goumas. The number of performance rights granted to Mr Goumas was determined using the 'face value' methodology, that is, by dividing an amount equivalent to 40% of Mr Goumas' current total fixed remuneration of US\$300,000 by a share price of \$0.07 for the base Long-term Incentive award. The Binomial valuation method has been applied to determine a fair value of \$80,562 which is being expensed as a share-based payment proportionally from grant date to expected vesting date. The performance rights have an ending date of 8 November 2026 with vesting conditions as follows:

- Achievement of a Total Shareholder Return (TSR) Compound Annual Growth Rate (CAGR) of 45%.

- Continuity of employment during the vesting period.

At the Board's discretion vesting may occur at the time of achievement of each performance condition within the performance period.

11. Contingencies

In the opinion of the Directors, besides the guarantees disclosed in note 14, the Group did not have any contingent liabilities or assets as 31 December 2023.

12. Segment Reporting

i. Operating segments

The Company operates in the additive manufacturing sector in Australia, United States and South East Asia. For management purposes, the Group has one main operating segment which involves the provision of 3D printing services and machinery sales in all territories in which it operates. All of the Group's activities are inter-related and discrete financial information is reported to the (Chief Operating Decision Maker), being the Chief Executive Officer, as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results for this segment are equivalent to the financial statements of the Group as a whole.

All amounts reported to the Chief Executive Officer, being the chief operating decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent with those adopted in the annual financial statements of the Group.

ii. Geographic area

Revenues from external customers attributed to Australia and other countries is as follows:

	31 Dec 2023 \$	31 Dec 2022 \$
Australia	146,149	104,144
Singapore	5,000	40,571
United States	1,363,046	1,400
Total Revenue	1,514,195	146,115

iii. Major customers

The Group has certain customers which represent more than 10% of the Group's revenue from contracts with customers. Each customer is a customer of the 3D printing services and machine sales operating segment. Revenue for those customers is as follows:

	31 Dec 2023 %	31 Dec 2022 %
1 Customer	88%	-
3 Customers	-	86%

13. Subsequent Events

Subsequent to the 31 December 2023, AML3D achieved AS9100D:2016 Quality Systems Accreditation ("AS9100D") for the Company's proprietary advanced manufacturing technology, WAM®. AS9100D demonstrates the Company operates to highest levels of quality, safety and reliability, as set out by the Aerospace industry and is expected to be a catalyst that accelerates AML3D's growth across new and existing Aerospace customers and markets.

14. Guarantees

AML3D has the following guarantee in place:

- A guarantee secured by a bank term deposit of \$36,000 for the lease of its premises at 35 Woomera Avenue Edinburgh SA 5111.
- A guarantee secured by a bank term deposit of \$20,000 for a corporate credit card facility provided by the Group's banker Commonwealth Bank of Australia.
- A guarantee secured by a bank term deposit of \$59,840 for the lease of its premises at Unit 3 & 4, 136 Mooringe Avenue North Plympton SA 5037 (in place from 23 October 2023).

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ABB ROBOT PATH PLAN SENSOR WELDER CAMERA WEAPON HELP

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Cooling Scan Levelling Version: 1.5.1.19 Login: Admin Robot State: Motor On Mode: Auto Tasks: Running

PRINT JOB: cylinder flange rev1
STAGE 2 PART 2 LAYER 8 BEAD 2

Build 60.25%

ACTUAL PRINT

Wire Spool 100.000g
Total Build 2.440G
Shroud 13.22%
Contact Tip 51.48%
Meas Point Heights (mm)
57 4.95088
Average Heights (mm)
3.54877

WELDING HOME POSITION PRINTING PAUSE PRINT STOP PRINT

ABB

Directors' Declaration

For the half-year ended 31 December 2023

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors,



Noel Cornish AM
Non-Executive Chairman

Dated this 28th day of February 2024

Independent Auditor Review Report



Independent auditor's review report to the members of AML3D Limited

Report on the half-year financial report

Our conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of AML3D Limited (the Company), and its subsidiaries (the Group) does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the half-year then ended; and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

What was reviewed?

We have reviewed the accompanying half-year financial report of the Group, which comprises:

- the consolidated statement of financial position as at 31 December 2023,
- the consolidated statement of loss and other comprehensive income for the half-year then ended,
- the consolidated statement of changes in equity for the half-year then ended,
- the consolidated statement of cash flows for the half-year then ended,
- notes to the financial statements, including a summary of material accounting policies and other explanatory information, and
- the directors' declaration.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

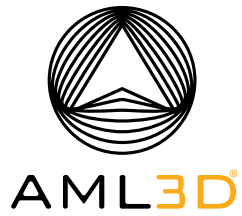
William Buck

William Buck (SA)
ABN: 38 280 203 274

M.D. King

M.D. King
Partner

Dated at Adelaide this 28th day of February, 2024



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Australian Patent 2019251514
Japan Patent 7225501
European Patent 3781344



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