Amaero Accelerates Growth Initiatives with Major Equipment Orders

4th Atomizer Ordered and 60% Savings Achieved For Argon Recycling Investment

Highlights

- **A$9m capital saving secured** – Revised Argon project reduces total costs to ~A$6M, delivering a ~60% saving versus prior estimate[1].
- **Cost down impact accelerated –** Earlier installation brings forward Argon recovery and cost savings by ~12 months, improving early-stage margin contribution and balance sheet strength.
- **~80% reduction in recurring Argon expense –** Substantial reduction in variable input costs strengthens unit economics, improve cash conversion per kg provided and enhances competitive cost position.
- **4th EIGA Premium Atomizer ordered –** Order placed and commissioning scheduled for June 2027, accelerating growth of U.S powder production capacity across titanium and refractory alloy programs.
- **Capital investment program on track and more efficient – ~**A$57M invested of the A$72M plan[2], 3-year capital investment plan on budget and on schedule to be completed by 30 June 2026.
- **EXIM loan drawdowns timed to commissioning –** ~US$15M expected to be drawn by 31 Dec 2025 (not including exposure), with balance expected to be drawn by 30 June 2026[3], aligning equipment financing to asset commissioning milestones.
- **Balance sheet strength maintained through investment cycle –** Expected quarter-end position of ~A$53M cash, an increase from September quarter, and ~A$60M tangible assets supports scaled production and commercial development.

Amaero Ltd (ASX:3DA, OTC:AMROF) ("Amaero" or the **"Company")** is pleased to advise that it has executed binding purchase contracts for the Argon recycling plant and for its 4th advanced EIGA Premium atomizer, advancing the Company's capacity expansion program and accelerating operating cost benefits.

Argon Recycling Plant – Improving Economics with Earlier Benefit Realization

At the time of the A$50 million Placement, Amaero estimated a total Argon plant investment of approximately A$15 million and expected a 2-year schedule to design, build and commission the recycling system.[1] Following value engineering of the plant scope, delivery structure, and operating model, Amaero has now contracted the system at an estimated total installed cost of ~A$6M, representing a A$9M capital saving, or ~60% reduction versus initial estimates.

The system is expected to be installed by the end of calendar year 2026, with commissioning expected during 1Q CY2027, bringing forward scheduled operating expense savings by approximately 12 months relative to original guidance.

Once operating, the Argon recycling system is expected to:

- reduce recurring Argon consumption expense by ~80%

[1] ASX Announcement, "Investor Presentation" dated 20 August 2025
[2] ASX Announcement, "Equity Capital Raising Presentation" dated 17 September 2024
[3] ASX Announcement, "Credit Agreement Signed for US$22.8 Million Loan from Export-Import Bank" dated 26 February 2025
[4] Critical Alloy Powder Pilot (CAPP) Presentation by Air Force Research Laboratory

- Materially reduce unit input costs during Amaero's scale up period
- Deliver a payback period of 2 - 2.5 years, and
- Support durable margin improvement against industry peers.

Given Argon is a key high value part of input cost, this saving improves competitive position and reduces early period breakeven volumes.

4th EIGA Premium Atomizer Ordered – Capacity Growth Locked in

In line with previous guidance that the fourth atomizer would be pulled forward, Amaero has executed the purchase contract for its 4th EIGA Premium atomizer[1], with commissioning scheduled for June 2027.

Amaero has now:

Atomizer	Status
#1	Commissioned
#2	Commissioned
#3	Expected commissioning June 2026
#4	Scheduled commissioning June 2027

EIGA Premium represents industry leading capability for reactive and refractory metals, given the absence of crucible and nozzle contamination risk. As cited Air Force Research Laboratory (AFRL), "non-contact EIGA is the industry standard for reactive and refractory materials."[4]

In addition to technology advantages, Amaero benefits from:

- Spherical powder morphology suitable for LPBF
- Significantly higher yield of usable PSD, and
- ~50% reduction in Argon consumption vs prior-generation systems

When combined with Amaero's 10-year subsidized electricity contract at approximately US$0.058 kWh, approximately 70% below the national average, the Company maintains a structural cost advantage relative to domestic and international competitors.

A$72M Capital Investment Program – Higher ROI Profile Maintained

Amaero previously guided that it would invest ~A$72 million in plant and equipment over the three-year period ending 30 June 2026[2]. The Company has now invested ~A$57M, remains on budget and on schedule, and expects to complete the remaining investments during the period as originally planned.

The Company has delivered:

- Completed ~A$27 million of improvements to 100,000 square foot manufacturing facility
- Commissioning of PM-HIP manufacturing systems
- Commissioning of two atomizers with long-lead equipment secured for atomizers #3 and #4
- Commissioning of ancillary powder processing equipment
- Increased throughput for commercial powder production and processing.

EXIM Bank Equipment Financing – Drawdown Timing Mapped to Commissioning

EXIM Bank has committed US$22.8[3] for equipment financing, structured to draw as commissioning milestones occur.

- ~US$15.0 million expected to be drawn by 31 December 2025 (not including exposure fee)
- Balance expected to be drawn by 30 June 2026.

This match funding approach avoids idle capital, keeps cash resources high during scaling phases and supports execution certainty of long-lead infrastructure.

Strong Balance Sheet Supports Execution

With capital deployment toward capability growth, Amaero expects to close the quarter with:

- ~A$53 million in total cash reserves (restricted and unrestricted), an increase from September quarter,
- ~A$60 million in tangible assets excluding cash and restricted cash

Growth-oriented capital investments have positioned Amaero as the largest capacity and lowest unit cost domestic producer of titanium and refractory alloy spherical powders. Further, Amaero has established a first mover advantage that includes technical leadership and scalable production capability for PM-HIP manufacturing of near-net-shape parts. Amaero is 2/12 years into a 3-year capital investment plan and has commenced transition to scaled production and commercialization.

Hank J. Holland, Amaero's Chairman and CEO, commented:

"Amaero has demonstrated its commitment to making forward leaning investments and to aligning with strategic partners to address national security and sovereign manufacturing challenges. Additionally, Amaero has demonstrated a keen focus on highly disciplined allocation of capital. As we moved decisively to re-locate the business to Tennessee in July 2023 and to execute on a 3-year capital investment and commercial engagement plan, Amaero has established a first mover advantage in both businesses – the titanium and refractory alloy spherical powder production business and the PM-HIP manufacturing business.

Our intensive engagement with strategic customers is evidenced by the December 3rd PM-HIP Roundtable at Amaero's facility with approximately 40 maritime / submarine industrial base stakeholders including representatives from Bechtel Plant Machinery, Inc. (BPMI), Naval Nuclear Laboratory (NNL), Naval Reactors, NAVSEA, and other key stakeholders such as General Dynamics Electric Boat, Newport News Shipbuilding, Hanwha, BWX Technologies, Curtiss-Wright, Northrop Grumman and Leonardo DRS.

The convening followed a near daily collaboration with the maritime industrial base over the past 18 months that included performance on numerous contracts.

PM-HIP manufacturing of near-net-shape components is an immediate, mature and viable manufacturing technology to address critical production delays with castings and forgings. Amaero's team has pioneering technical experience and proven program management competency. We believe that through the combined efforts of all participants, we can work together to expand the use of advance technologies in the industrial base to meet the Navy's increasing shipbuilding demands."

This announcement has been authorised for release by the Chairman and CEO.

Amaero Ltd
Hank J. Holland
Chairman and CEO
hank.holland@amaeroinc.com

Media & Investor Enquiries in Australia
Jane Morgan
Director
jm@janemorganmanagement.com.au

Media & Investor Enquiries in United States
Shannon Devine
MZ Group
amaero@mzgroup.us

.

About Amaero

Amaero Ltd (ASX:3DA, OTC:AMROF) is an dual listed ASX and OTC-listed company with manufacturing and corporate headquarters located in Tennessee, U.S. Amaero is a leading U.S. domestic producer of high-value refractory and titanium alloy powders for additive and advanced manufacturing of components utilised by the defense, space, aviation, and medical industries. The technical and manufacturing team brings decades of experience and know-how with pioneering work in gas atomization of refractory and titanium alloys. The Company has commissioned advanced gas atomization technology with an industry leading yield of AM powder. The Company is also a leader in PM-HIP (Powder Metallurgy Hot Isostatic Pressing) manufacturing of large, near-net-shape powder parts with forged-equivalent material properties and microstructure for a variety of alloys. PM-HIP manufacturing is helping alleviate the strained domestic supply chain for large scale castings and forgings.
.