

A close-up photograph of a KTIG welding torch. The torch is dark blue with silver-colored rings and has the KTIG logo and 'ADVANCED WELDING SYSTEMS' printed on it. A bright, intense blue and white arc is visible at the tip of the torch, which is positioned over a curved metal surface. The background is dark with wisps of blue smoke or vapor.

TRANSFORMING FABRICATION



ANNUAL GENERAL MEETING
26 NOVEMBER 2019
CEO PRESENTATION

ASX: KTG

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Corporate Investment Highlights

- 1** **KTIG owns all rights** to industry award-winning proprietary patented welding technology originally developed by the **CSIRO**
- 2** **Thoroughly proven technology, revenue generating,** sales to **20 countries,** customers include General Electric (GE), Siemens & Bilfinger
- 3** **Immediate target industries** estimated to be worth in excess of US\$250 Billion globally
- 4** **Expert leadership team** with proven track record & many years of commercialisation, technology & welding experience.

Strong Competitive Advantage

- 5** K-TIG is a **technology and business-model leader,** delivering 'Welding-as-a-Service' (**WaaS**) to customers globally
- 6** **Easily scalable business model** based on licencing, with **long-term recurring revenue** linked to customer production & utilisation
- 7** Is up to **100x faster** than conventional welding, **reduces costs by more than 80%.**
- 8** **Cloud-based control platform** allows K-TIG to **deliver services remotely,** monitor, support, control and record operational performance and output



K-TIG Limited (ASX: KTG) is a transformative, industry disruptive welding technology company that is changing the economics of fabrication with its proprietary high-speed precision welding technology.

- The Company listed on the ASX following a merger with Serpentine Technologies that completed on the 30th of September 2019
- Successfully raised \$7 million (before costs) at \$0.20 per share
- David Williams appointed CEO of K-TIG
- The funds raised are being used to support the continued global expansion of K-TIG by **expanding its sales and marketing** effort, purchasing capital equipment to **accelerate R&D developments** and **expedite the Company's commercialisation**

Use of Funds

Item	\$
Marketing	\$1,500,000
Long Lead Capital Items	\$2,655,000
Research & Development	\$946,000
Working Capital	\$1,206,000
Offer Costs	\$693,000
Gross Proceeds from Capital Raise	\$7,000,000

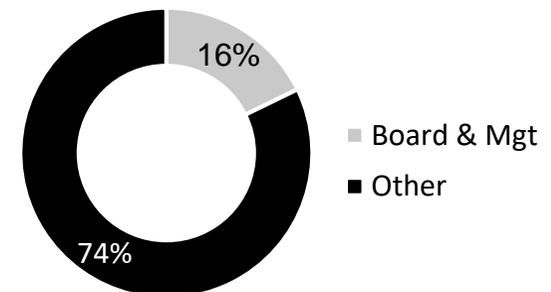
Capital Structure (as at 22 Nov 2019)

Item	No
Ordinary Shares	144,608,833
Options	7,573,580
Deferred Consideration Shares	30,075,135
Current share price	\$0.315
Market Capitalisation	\$45M

Top 5 Shareholders (as at 22 Nov 2019)

Shareholder	%
Advanced Science & Innovation Co	13.64%
N Le Quesne	8.27%
Parkside Family SA Pty Ltd	5.20%
CS Third Nominees	3.22%
MD & LA Sharman	2.47%
Top 20 Shareholders own	52.04%

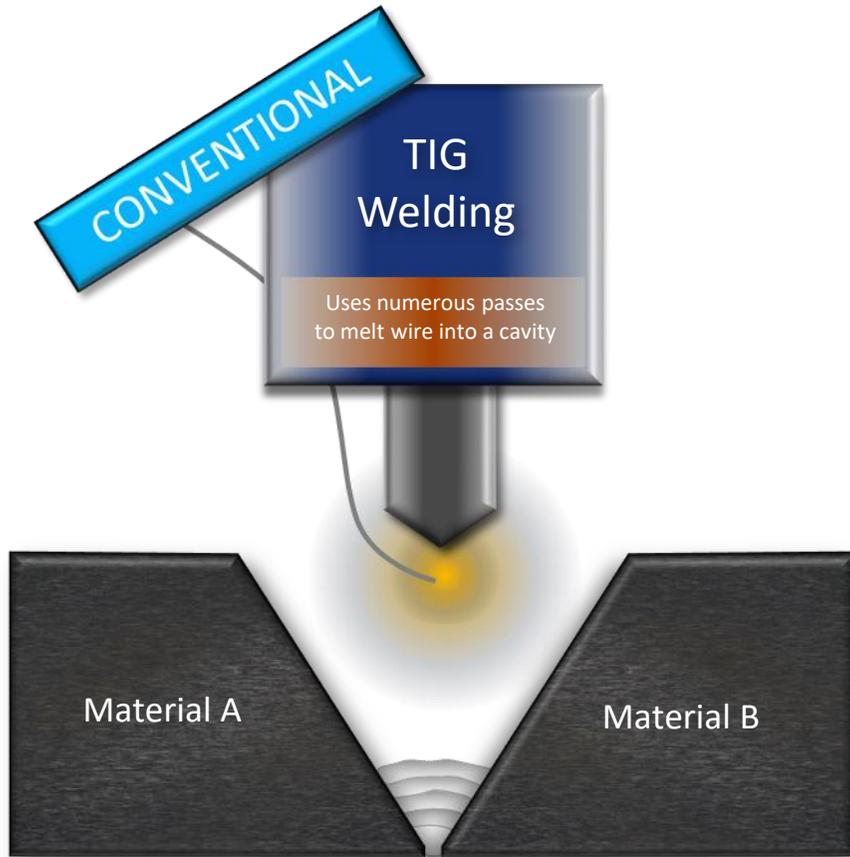
Split of Board/Management & Other Shareholders



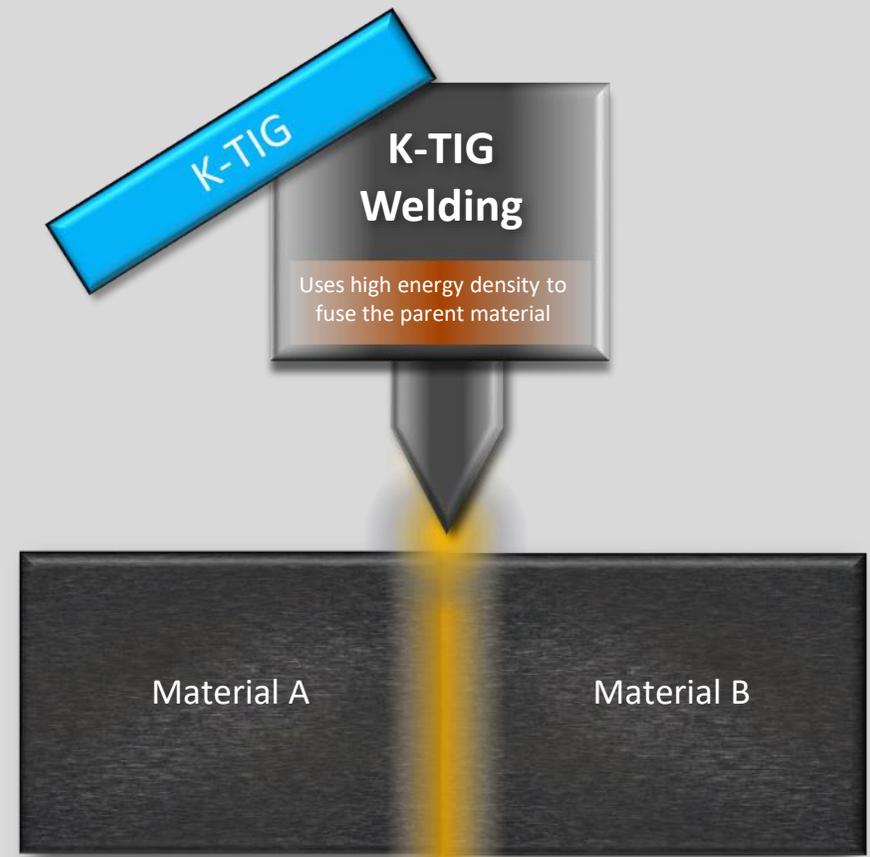
Commercially proven & globally certified.

- A **transformative**, industry-disrupting welding technology that changes the economics of fabrication.
- Performs a conventional **6 hour** TIG weld in **3 minutes**.
- Reduces fabrication costs by **80% to 95%**.
- Welds to the highest grade welding quality
- **Proprietary technology** meeting all relevant US, European and Australasian welding standards and certified by Lloyds and Bureau Veritas

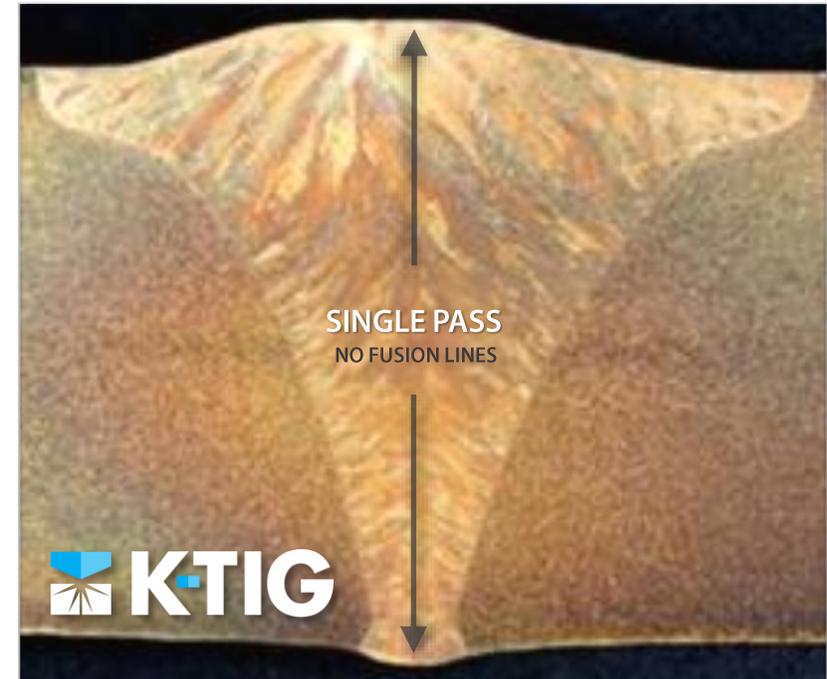
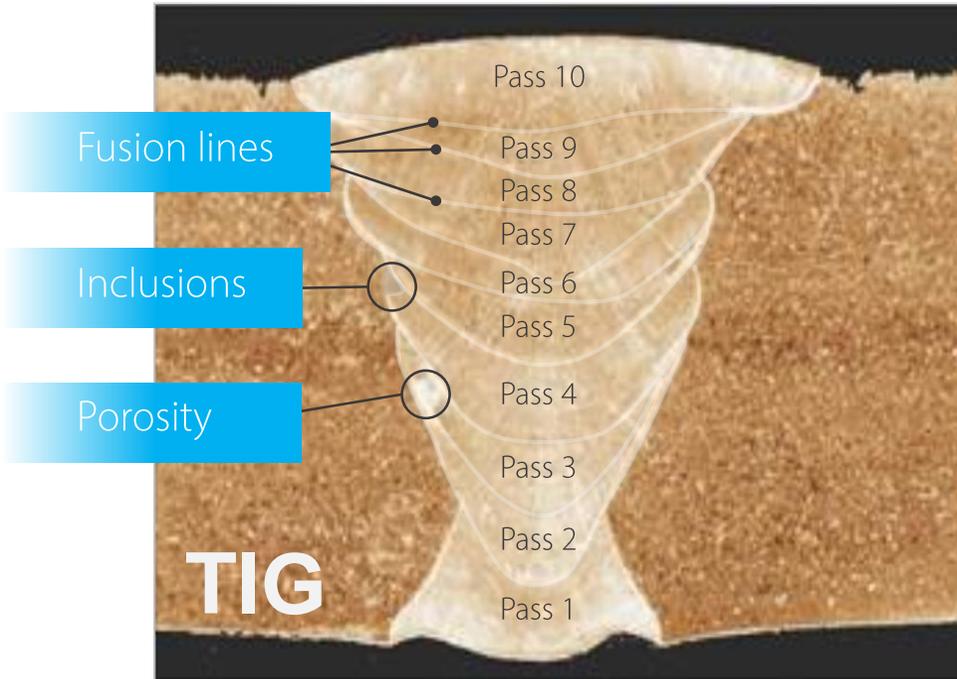




'V' preparation
Numerous welding passes
High wire, gas & power consumption
Slow, labour-intensive, high labour cost



No edge preparation
Single pass
Negligible wire, gas & power consumption
Very fast, no skilled labour required, very low cost



10 passes | 9 fusion lines

High potential for defects | Inclusions, porosity, lack of fusion

Cleaning & grinding required between each pass

Extensive edge preparation ("V-prep") required

Minimal penetration | No parent material

Single pass | No fusion lines

Negligible potential for defects

No cleaning, grinding or back gouging

No edge preparation

100% penetration | 100% parent material

A global footprint with world-leading customers



SIEMENS

CORE PIPE

aibel



Esterline
Darchem Engineering

DMTC DEFENCE MATERIALS
TECHNOLOGY CENTRE



TA CHEN
INTERNATIONAL, INC



SHARPSVILLE
CONTAINER



BILFINGER



Callidus
GROUP



Fosdalen Industrier

TITAN
METAL FABRICATORS



JBM INOXIDABLES



DONCASTERS



Aqseptence
Group



NUCLEAR AMRC



MAPNA GROUP



JAIME
INDUSTRIAS METALURGICAS

K-TIG has successfully executed its **commercialisation strategy**

K-TIG has now commenced executing its **growth strategy**



1

WaaS Revenue Generation

- Secure minimum of 40 units under licence in the next 12 months
- Strong focus on long term recurring revenue generation and growth

2

US Pressure Vessels & Pipes

- Implementation of aggressive revenue growth strategy
- Increase market share
- Establish a presence in the US to drive domestic opportunities

3

UK and UK Nuclear

- Accelerate discussions with key UK nuclear industry players
- Investigate strategic structure and investment to provide a platform for growth in the UK market

4

Research & Development and additional target markets

- Continual improvement of technical capabilities (enhancement & automation)
- Explore expanding technology into other metal
- Focus on upgrades to ensure acceptance into applications in the nuclear industries
- Continue research on applications for use in defence industries



- **K-TIG is ramping up its sales effort focused on its licensing program**
- **Focus** on Vessels & Tanks and UK Nuclear
- **R&D** will be underway continuously and is expected to deliver significant additional value

Client / Project Summary

- Argentinean water pipeline project awarded to Industrias Metalurgicas Jaime SRL (“Jaime”)
- 15km of stainless-steel pipeline fabricated
- 1300 x 12metre lengths @ 1.6m diameter, 9mm thick
- Initially expected project duration 720 days
- 5 x K-TIG welding systems used
- Pipeline delivered 550 days ahead of schedule

PIPELINE DELIVERED 550 DAYS AHEAD OF SCHEDULE

Stainless Steel Pipeline Secures San Juan Water Supply

The population of San Juan in west-central Argentina is currently estimated at 685,000. However, this is expected to grow to over one million in less than 10 years. One of the key concerns of the Argentinean Government is ensuring drinking water supply for this increased population. As such, the Argentinean Government has commenced work on the Acueducto Gran San Juan. This \$50m USD 170 million pipeline will reinforce existing drinking water supply to San Juan and surrounding areas, and expand the supply of drinking water to localities that are currently without water, including some areas of Zonda and Rivadavia.

About Acueducto Gran San Juan
The Acueducto Gran San Juan consists of the installation of a new drinking water supply to transport water from south coastal Argentina's ocean coast of the city of San Juan to complement the existing water system. The new system will involve construction of a water treatment plant to ensure the water is fit for human consumption. This plant will be located in the Andes mountains, at 7,200 metres above sea level.

The system will also include the construction and installation of stainless steel and High Density Polyethylene (HDPE) pipelines. These pipelines will meet the volume of water being transported from 3,500 per second to 3,000 per second.

Of the 15km of pipeline, 15km will be fabricated in stainless steel that is 1,600mm in diameter and from thick, 9mm stainless steel tubes. The 15km stainless steel pipeline represents a substantial part of the project's total investment. It is being undertaken by Industrias Metalurgicas Jaime SRL, who has the most over 4,000 tons of stainless steel to fabricate the pipeline.

Advanced technology, because of the magnitude of the project and the long distances for the supply of San Juan and Argentina—there is no other option in Argentina, or even South America with the same characteristics. They also wanted to reduce costs whilst still achieving the best possible quality,” said Gonzalez.

“Two years ago, the best welding method we had for this project was submerged arc welding. It seemed that this would be the best welding process to use. But, after some research on new welding technology found K-TIG. This was a real turning point. The more I studied K-TIG, the more I wanted to know.”

“K-TIG appeared to be an almost magical solution that would help us achieve all our goals in record time and at the lowest cost possible.”

“Before we started the project, Industrias Metalurgicas Jaime SRL, there is no other method available in the market. They wanted to use the method available in the market. They wanted to use the method available in the market. They wanted to use the method available in the market.”

The fabrication of the pipeline began four months ago. It is important to report that what we had never done before. Each of these tubes is 12m long, 1.6m in diameter and 9mm thick. The frequency in which we had expected to complete the fabrication of 1,300 12m tubes in 720 days indeed we are contracted to this timeframe. The use of K-TIG has enabled the achievement of this project, we will complete the fabrication in 162 days, which is a fantastic result for us, the Government and the people of San Juan,” said Gonzalez.

K-TIG works around a wider range of applications, and is particularly well suited to common stainless steel pipe and fittings, including elbows and tee joints. It is also used for pipe, plate, sheet metal, tank and other stainless steel applications.

K-TIG's extremely fast welding times mean it is particularly well suited to applications where high productivity and low cost are important. K-TIG's speed, along with its ability to weld in all positions, makes it an ideal choice for pipe and fittings. K-TIG's speed, along with its ability to weld in all positions, makes it an ideal choice for pipe and fittings.

For more information, visit www.ktig.com

Revenue model comparison

Unit sales model

- K-TIG received a one-off fee for the sale of 5 K-TIG welding systems to Jaime
- K-TIG received fees in excess of AU\$500,000

VS

WaaS model

- WaaS model would have provided a long-term recurring revenue stream
- Upfront fee + minimum monthly charge + revenue per metre welded on each system
- Like for like revenue for this project under WaaS model when compared to unit sales revenue
- Potential financial upside on subsequent projects completed with ongoing WaaS revenue model
- Full ownership transfer of welding system to Jaime
- Other than one-off fee at commencement of project, no further payments received
- K-TIG did not benefit in any early completion milestones

K-TIG intends to disrupt multi-billion dollar fabrication markets

- Vessels & Tanks
- Piping
- Nuclear Storage Containers

K-TIG is approved for use in these industries

- Highly experienced in these applications
- K-TIG is approved for use and meets required standards
- K-TIG is being used in production today for all three applications – including nuclear



SHORT TERM



SHORT TERM



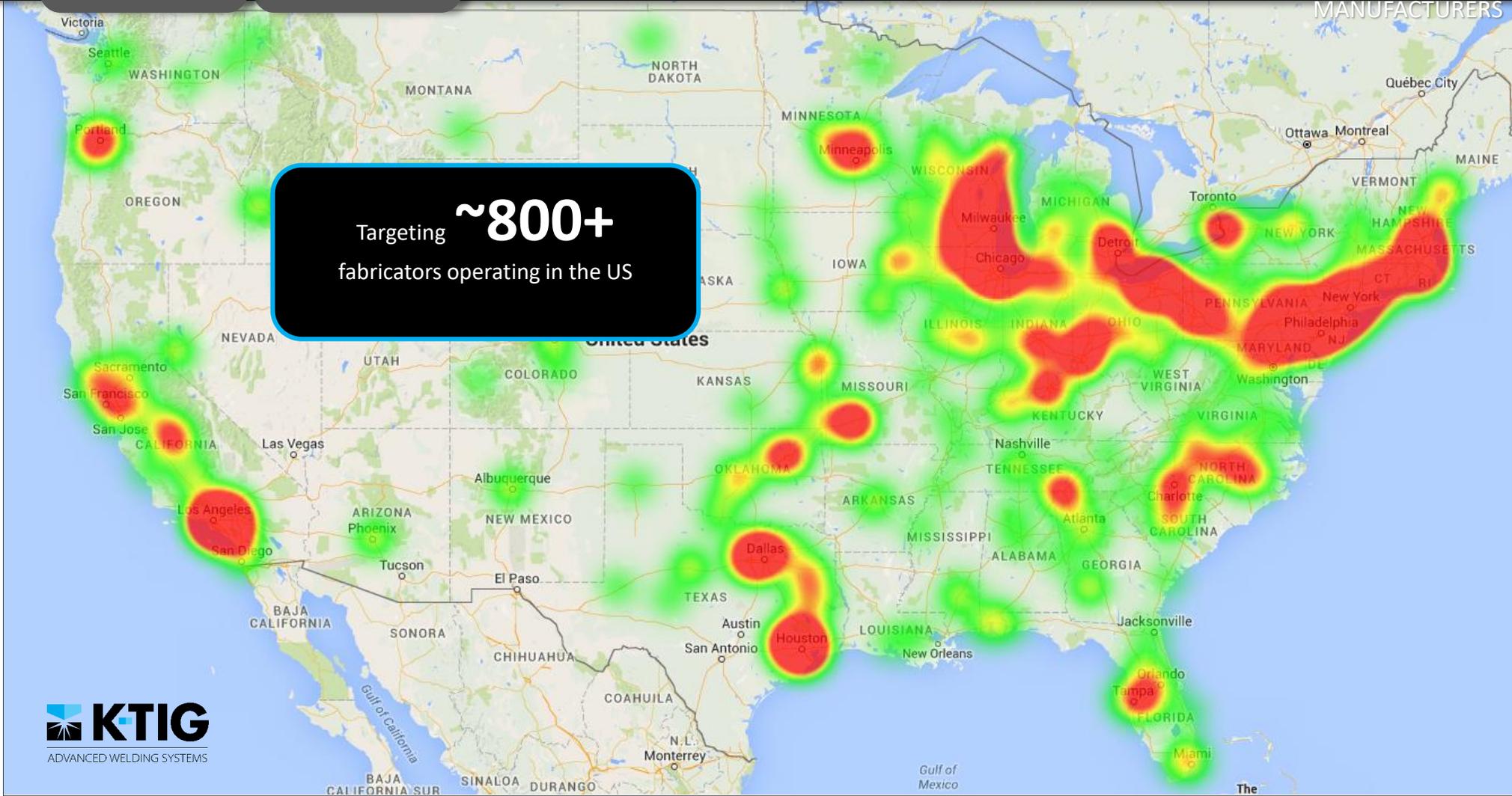
MED TERM

PROACTIVE
PROSPECTING

REACTIVE
PROSPECTING

HEAT MAP (DENSITY) OF USA STAINLESS STEEL VESSEL MANUFACTURERS

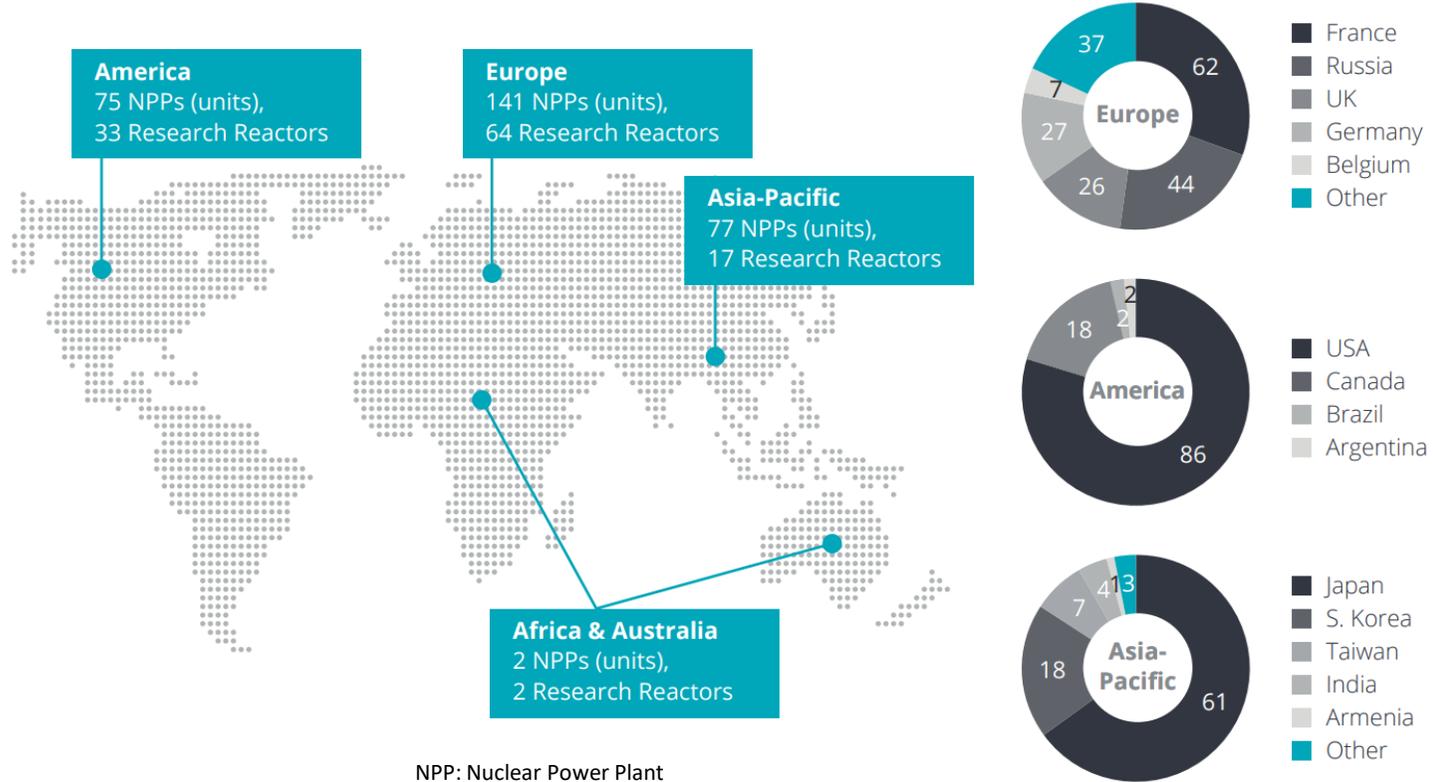
Targeting **~800+**
fabricators operating in the US



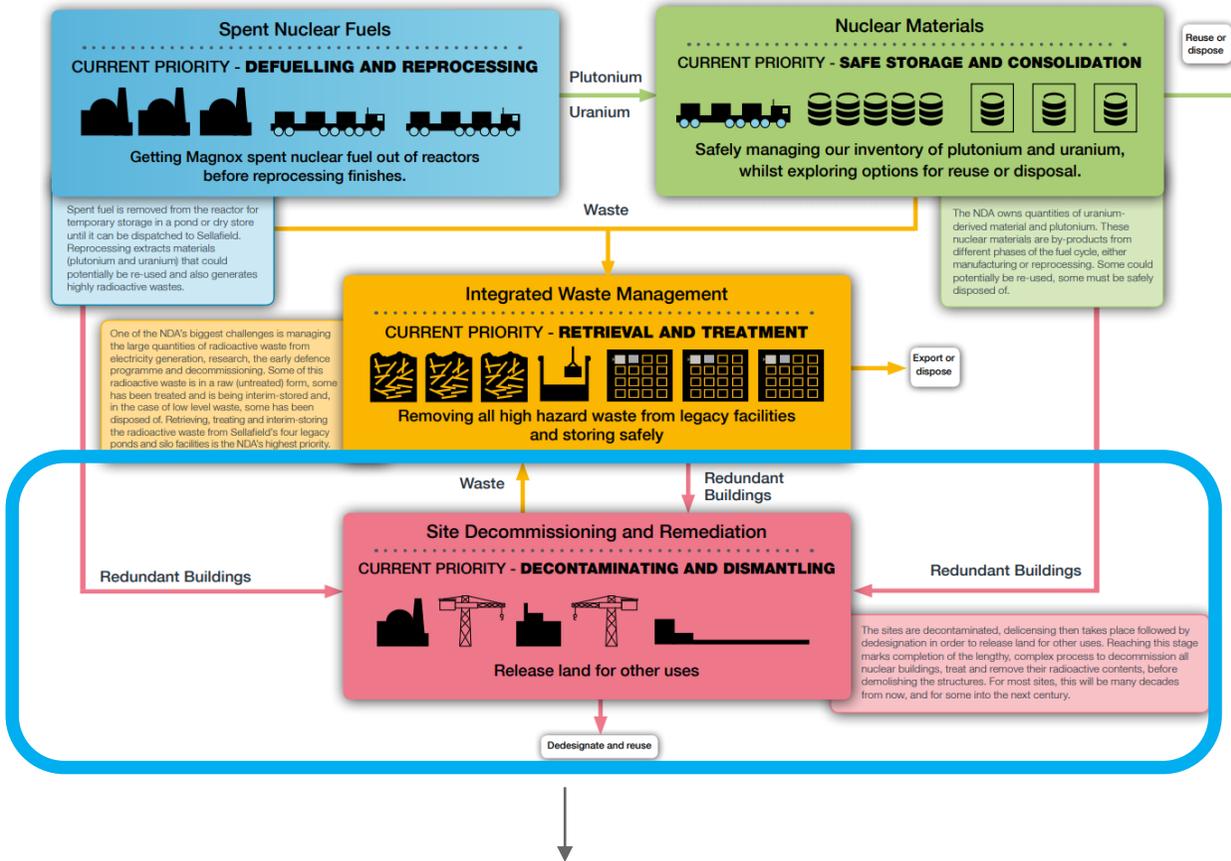
Source: K-TIG

There are 295 Nuclear Facilities Worldwide that are required to be decommissioned by 2040

The opportunity for K-TIG to be involved in the fabrication of the storage containers used in NPP decommissioning



Source: Deloitte (2019)



Sellafield site, Cumbria, UK

UK Government has a stated priority to:

- Safely deliver and accelerate decommissioning of the legacy ponds and silos at Sellafield
- The safe and secure delivery of radiological legacy materials

NDA Mission is:

- to clean up the UK's earliest nuclear sites safely, securely and cost-effectively with care for people and the environment
- NPP decommissioning project expected to complete 2125

The decommissioning and deconstruction of 17 nuclear sites across the UK presents a significant opportunity for K-TIG.

Source: UK Nuclear Decommissioning Authority (NDA) Business Plan, 2019

17

sites across the UK require decommissioning

(Nuclear Decommissioning Authority)

£4bn

to be spent on stainless steel waste containers of Sellafield

(Sellafield Ltd)

£121bn

Total UK nuclear decommissioning cost to 2120

(UK National Audit Office)



NAMRC facilities, Advanced Manufacturing Park, Sheffield, UK

K-TIG is positioned to aggressively target the nuclear reactor decommissioning industry during 2020 and has built strong strategic relationships over several years.

- Nuclear Advanced Manufacturing Research Centre (“NAMRC”) already working with a K-TIG Welding System
- K-TIG has strong relationships with key players in the nuclear reactor decommissioning industry
- Initiatives being executed to accelerate use of K-TIG Welding System in the UK decommissioning market

Strong investment case

- K-TIG has a proven track record of generating revenue and commercializing its industry disruptive technology
- K-TIG's strong product and business development team has built a strong customer base of large industrial companies with global operations

Proven technology with a strong competitive advantage

- Technology originally developed by the CSIRO and now has strong industry backing
- Accepted, validated and used in production by industry across a range of sectors
- Industry disruptive business model allowing K-TIG to secure long-term revenue generation and appeal to a broader range of customers

Disruptive technology & commercial model

- Proven technology that dramatically increases productivity and lowers the overall cost of production
- New licencing and strategic relationship growth model to generate long term recurring revenue streams linked to customer production.

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A close-up photograph of a KTIG welding torch. The torch is black with silver-colored accents and is positioned vertically. It is emitting a bright blue flame that is being used to weld a curved metal component. The background is dark, and the overall lighting is dramatic, highlighting the torch and the welding process.

TRANSFORMING
FABRICATION

 **KTIG**
KEYHOLE TIG WELDING