ASX: KTG

ASX Announcement | 11 October 2021

K-TIG ACHIEVES FIRST MILESTONE WITH DEFENCE GRADE ARMOURED STEEL WELDING TESTS

Highlights

- K-TIG has successfully completed the first round of weld testing under the Memorandum of Understanding to develop advanced keyhole welding procedures for Hanwha Defense Australia and Hanwha Defense Corporation.
- Weld procedures for joining Ultra Hard Hardness and Ultra High Toughness armoured steels have been developed with hardness and tensile strength results superior to traditional MIG welding techniques.
- Hanwha to continue to work with K-TIG to examine the practical application of its technology to Hanwha's production processes.

K-TIG Limited (ASX: KTG) ("K-TIG" or the "Company") is pleased to announce that it has successfully completed the first round of armoured steel coupon welding procedure development under the previously announced Memorandum of Understanding to develop world first advanced keyhole welding procedures for the automated welding of Armoured Steel for Hanwha Defense Australia and Hanwha Defense Corporation.

Hanwha Armoured Steel Results

Under the Memorandum of Understanding to develop advanced keyhole welding procedures for Hanwha Defense Australia and Hanwha Defense Corporation, K-TIG committed to develop welding procedures and supply independently performed weld quality test results. These were for test coupons of specific armoured steels to be used in Hanwha's Redback and Huntsman vehicles being offered to the Australian Army under the Land 400 and Land 8116 procurements.

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K-TIG has delivered to Hanwha weld samples, and weld quality testing results, for the Bisalloy Steels proposed for Hanwha's vehicle offering. These samples were for joint geometries utilising both Ultra Hard Hardness, UHH, and Ultra High Toughness, UHT, armours.

Further work continues on the Land 8116 Rolled Homogeneous Armour coupons for the Bisalloy Steels proposed for Hanwha's Land 8116 Huntsman offering.

"We are greatly encouraged by the results of independent testing of K-TIG's welding," said Mr Richard Cho, Managing Director of Hanwha Defense Australia. *"Hard and thick armoured steel can be difficult to weld effectively but these tests indicate that K-TIG's process is both effective and faster than traditional welding.*

"Hanwha will continue work with K-TIG to examine the practical application of its technology to our production processes. The potential for cost savings while increasing productivity and quality make K-TIG's advanced welding technology an attractive proposition," Mr Cho said.

"This is an important milestone in K-TIGs ambition to introduce its technology into the global defence fabrication sector. The replication of the earlier DMTC research results on the specific complex armours used in modern vehicles validates the applicability of the technology. The next milestone towards the industry acceptance of K-TIG into armoured steel welding is the welding and qualification of actual vehicle components" said K-TIG Managing Director Adrian Smith.

"The results from the testing were extremely positive and showed that the K-TIG advanced welding system produced hardness and tensile strength results superior to traditional MIG welding practices, whilst maintaining comparable toughness." said K-TIG Manager of Welding Research and Development Dr Zhenyu Fei.

"We are extremely pleased with the results obtained during these trials and are grateful for the engagement provided by Hanwha" said K-TIG Chairman Stuart Carmichael.

This announcement was authorised for issue by the Board of K-TIG Limited.

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About K-TIG Limited

K-TIG is a transformative, industry disrupting welding technology that seeks to change the economics of fabrication. K-TIG's high speed precision technology welds up to 100 times faster than traditional TIG welding, achieving full penetration in a single pass in materials up to 16mm in thickness and typically operates at twice the speed of plasma welding. K-TIG works across a wide range of applications and is particularly well suited to corrosion resistant materials such as stainless steel, nickel alloys, titanium alloys and most exotic materials. It easily handles longitudinal and circumferential welds on pipes, spooling, vessels, tanks and other materials in a single pass. Originally developed by the CSIRO, K-TIG owns all rights, title and interest in and to the proprietary and patented technology and has been awarded Australian Industrial Product of the Year and the DTC Defence Industry Award.

Forward Looking Statements

Statements contained in this release, particularly those regarding possible or assumed future performance, revenue, costs, dividends, production levels or rates, prices or potential growth of K-TIG Limited, are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.