ASX Announcement

Huntsville, Alabama – July 31, 2026

Quarterly Activities Report

Q2 2026

Executive Summary:

- **Advanced Major Prime Defense Program:** Successfully delivered a critical production article for testing under a leading U.S. defense prime contractor's Early Manufacturing Development (EMD) program, demonstrating breakthrough manufacturing capabilities.

- **Expanded Engagement with Major Defense Primes:** During the quarter, Titomic hosted multiple leading U.S. defense prime contractors at its Huntsville headquarters to evaluate production, repair and sustainment applications across missile systems, munitions, naval systems, aerospace structures and advanced materials. These engagements continue to generate an expanding pipeline of qualification activities and proposal opportunities

- **Manufacturing Capacity Ready for Scale:** Completion of Huntsville facility commissioning, AS9100 certification, expanded machining capability, metrology and integrated production systems positions Titomic to support significantly higher manufacturing volumes.

- **Hosted Senior U.S. Defense Leadership:** Welcomed the Honorable Michael Duffey, Under Secretary of War for Acquisition & Sustainment, to Titomic's Huntsville headquarters to demonstrate the Company's advanced manufacturing capabilities supporting defense production, sustainment and supply chain resilience to enhance speed and volume for the U.S. and allies' priorities.

- **Secured Lufthansa Technik AG Contract:** Received a contract valued at more than AUD $1.2 million (USD $830k) from Lufthansa Technik AG to supply additional Titomic Kinetic Fusion™ cold spray capability for its Hamburg facility, reinforcing a long-standing relationship and expanding Titomic's presence within the global aerospace maintenance sector.

- **Achieved DNV Qualification for Oil & Gas:** Titomic has received a Statement of Qualification from DNV validating its cold spray technology for in-field aluminum coatings used in corrosion protection in the Oil & Gas industry. This milestone provides independent verification of its technology's effectiveness and supports its expansion into global energy markets.

- **Secured AS9100 Certification in Huntsville:** Titomic's Huntsville facility has achieved AS9100 certification, a key aerospace and defense quality standard, validating its manufacturing processes and operational excellence. This milestone strengthens the company's position as a trusted partner and supports its expansion in highly regulated aerospace and defense markets.

- **Delivered Critical Oil & Gas Repair:** Completed an emergency repair for a major oil and gas customer in one week, preventing production downtime and demonstrating the rapid turnaround capabilities of Titomic Kinetic Fusion™ (TKF)™ technology.

- **EOS Contract Award:** Successfully completed a rapid-turnaround component refurbishment for EOS in less than one week, demonstrating Titomic's responsive manufacturing capabilities and ability to reduce customer lead times.

- **Pacific Battle Damage Exercise (PBDE) 2026:** Selected to demonstrate TKF™ technology during a U.S. Navy repair exercise, where Titomic's cold spray system outperformed competing solutions in component repair trials.

- **Developed TKF™ Tactical System:** Redesigned the TKF™ 523 into a compact, shipboard-ready system based on direct U.S. Navy feedback, demonstrating Titomic's ability to rapidly adapt technology to meet operational defense requirements.

- **Progressed U.S. Redomiciliation:** Titomic entered into a Scheme Implementation Deed to redomicile the Company from Australia to the United States. The proposed transaction is expected to complete in H2 2026, subject to shareholder, Court and regulatory approvals, positioning the Company to expand its participation in the U.S. defense industrial base.

- **Signed multi-year U.S. Defense CRADA:** Titomic USA entered into a Cooperative Research and Development Agreement (CRADA) with a U.S. military research organization to collaborate on advanced manufacturing, defense sustainment, materials development and expeditionary manufacturing. The agreement establishes a framework for multiple research activities supporting next-generation defense capabilities.

- **Celebrated One Year of U.S. Operations:** Titomic USA marked its first anniversary following a year of significant operational growth, including expansion of manufacturing capability, installation of advanced TKF™ systems, establishment of metrology and machining capabilities, and strengthening relationships across aerospace, defense, energy, oil and gas, and industrial markets. The team expanded their footprint in the building and began production planning for the second half of the building.

- **Signed Strategic Partnership with TWI:** Entered into a Memorandum of Understanding with The Welding Institute (TWI) to accelerate commercialization of Titomic Kinetic Fusion™ technology by combining advanced manufacturing capabilities with globally recognized expertise in materials science, certification, and industrial qualification.

- **Expanded European Strategic Advisory Group:** Established a European Strategic Advisory Group comprising Lieutenant General Dennis Luyt, Brigadier General Wolfgang Richter and Lieutenant General Sir Charlie Stickland to strengthen Titomic's strategic engagement across European aerospace and defense markets.

- **Strengthened U.S. Strategic Advisory Group:** Appointed former Lockheed Martin Vice President Doug Graham to the U.S. Strategic Advisory Group, adding extensive experience in advanced aerospace, missile systems, space programs and defense technologies to support the Company's continued growth.

- **In Negotiations for Non-Dilutive Funding:** Continuing negotiations with Export-Import Bank of the United States under its "Make More in America Initiative" and the Office of Strategic Capital. Targeting $US25 million from both parties. Based on current discussions, the Company expects feedback from EXIM within Q3 2026 and feedback from OSC in Q4 2026.

- **Key Financial Data (Q2 2026):**
    - Customer Receipts: AUD 1.5 million
    - Net Cash Used in Operations: AUD 8.3 million
    - Net Cash Used in Investing: AUD 2.3 million
    - Net Cash Used in Financing: AUD 0.3 million
    - Cash at End of Quarter: AUD 14.3 million

Statement from Jim Simpson, CEO & Managing Director of Titomic

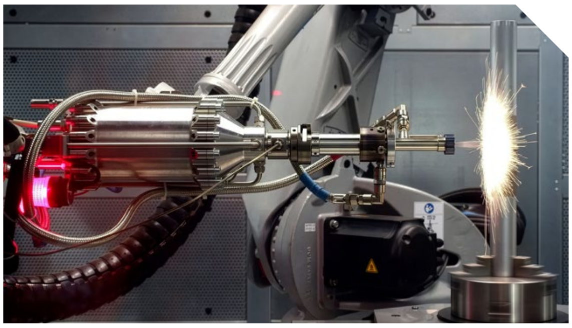
"This quarter demonstrates the successful execution of Titomic's strategy to become the premier advanced manufacturing company supporting the U.S. and allied defense industrial base. Our progress toward U.S. redomiciliation, expansion of our strategic partnerships, growing commercial sales, and establishment of long-term government collaborations continue to strengthen our position as an industry leader.

We continue to see increasing engagement from major defense prime contractors, commercial aerospace companies, and global industrial customers. Multiple organizations are now evaluating Titomic not simply as a technology provider, but as a strategic manufacturing partner capable of producing and sustaining mission-critical hardware at unprecedented speed. Our objective remains unchanged—to convert this growing pipeline into recurring production programs while expanding our global manufacturing footprint."

Operations Update: Building a Global Business

Titomic continues its evolution from an advanced equipment provider into a vertically integrated manufacturing enterprise, delivering production, repair, sustainment and qualified manufacturing services across global aerospace, defense, energy and industrial markets.

Major Prime Component Delivered



Last year the Titomic team received a purchase order to support one of the leading defense prime contractors on an Early Manufacturing Development (EMD) effort for production of next-generation defense articles. Our team successfully delivered an article to the team in June that was used in a recent test. The delivered article incorporated proprietary manufacturing methodologies and advanced material combinations that achieved performance previously unattainable through conventional manufacturing approaches. Successful testing significantly expands the potential application of Titomic's technology across future defense programs.

Advancing U.S. Defense Engagement

Titomic welcomed the Honorable Michael Duffey, Under Secretary of War for Acquisition & Sustainment, to its Huntsville, Alabama headquarters for a demonstration of the Company's advanced Titomic Kinetic Fusion™ (TKF)™ cold spray manufacturing capabilities.

Visits from officials at this level are uncommon and reflect the strategic relevance of Titomic's advanced manufacturing capabilities to defense modernization and industrial resilience.

During the visit, Honorable Duffey toured Titomic's state-of-the-art facility and observed applications supporting the production, repair, restoration, and sustainment of mission-critical defense components, including munitions, propulsion systems, pressure vessels, and naval assets. The visit highlighted Titomic's growing role in strengthening the U.S. and allied defense industrial base through advanced manufacturing technologies that improve supply chain resilience, reduce lead times, and enhance operational readiness. Titomic's TKF™ technology provides the warfighter with critical components in a matter of days/weeks compared to traditional manufacturing processes. By leveraging this technology, we can position the country to be ahead of our adversaries, manufacturing with speed and volume.

During the quarter, Titomic also hosted numerous additional visits from senior representatives of major U.S. defense contractors, reflecting increasing industry interest in the Company's ability to address critical supply chain challenges through advanced manufacturing, repair and sustainment technologies.

Expanding Aircraft Repair Capabilities

Titomic strengthened its commercial position during the quarter by securing a contract valued at more than AUD $1.2 million (USD $830k) from Lufthansa Technik AG to expand cold spray capability at its Hamburg facility. Building on a five-year relationship, the order reinforces customer confidence in Titomic Kinetic Fusion™ technology for aircraft maintenance and repair while supporting increased capacity through the addition of a turnkey low-pressure cold spray system. The contract further demonstrates growing adoption of Titomic's technology across the global aerospace sector and supports the Company's strategy to expand advanced manufacturing, repair, and coating solutions for aerospace, defense, energy, and industrial markets. The order further strengthens Titomic's recurring equipment and aftermarket support business while expanding the installed base of Titomic Kinetic Fusion™ systems within one of the world's leading aerospace maintenance organizations.

Achievement DNV Qualification for Oil & Gas

Titomic announced it has achieved a Statement of Qualification from DNV for its low and medium-pressure systems used in applying aluminum coatings for corrosion protection in Oil & Gas environments. The qualification independently confirms the effectiveness of its Titomic Kinetic Fusion™ cold spray technology for coating, repair, and corrosion mitigation in demanding field conditions. Its portable, field-deployable solution offers a practical alternative to traditional thermal spray aluminum methods, improving efficiency and reliability. The endorsement strengthens confidence among customers, partners, and regulators while supporting adoption in critical energy infrastructure. This milestone positions Titomic to expand further into the Oil & Gas sector and pursue additional applications and qualifications globally. The qualification also provides an important foundation for additional industry-specific certifications and customer qualifications worldwide.

AS9100 Certification in Huntsville

Titomic announced that its Huntsville, Alabama facility has successfully achieved AS9100 certification, a globally recognized quality management standard for aerospace and defense. The certification confirms that Titomic’s systems, processes, and controls meet strict industry requirements across production, quality assurance, and risk management. This achievement enhances the company’s ability to support critical partners and pursue new opportunities in regulated markets. Leadership emphasized the certification as a reflection of strong operational discipline and commitment to quality. It also marks an important step in Titomic’s global growth strategy, reinforcing its role as a provider of advanced manufacturing solutions for mission-critical applications. AS9100 certification also enables participation in a broader range of aerospace and defense production opportunities requiring certified manufacturing systems.

Oil and Gas Repair

In March, Titomic received a contract to do studies for a major oil and gas company to validate our repair process and develop material parameters. In addition, to the material development study, the customer provided us with a rapid repair request. Titomic was provided with a component to repair within a week utilizing our TKF™ technology. This repair prevented an unplanned production shutdown, demonstrating the ability of Titomic's portable repair technology to dramatically reduce customer downtime while extending component service life. The ability for our team to pivot and support the customer with a crucial repair demonstrates that TKF™ will change the turnaround time for repairs.

EOS Contract Award

As proven by recent contract with EOS, Titomic USA, Inc. is able to provide support outside of the traditional TKF™ business model. The team received a component from EOS where we demonstrated Titomic's ability to rapidly perform specialized surface restoration services that substantially reduced customer turnaround time. Our team's ability to rapidly respond to our customers and improve schedule is a key discriminator in an overwhelmed supply chain environment.

Pacific Battle Damage Exercise (PBDE) 2026

In May, Titomic was selected to participate in PBDE where the team was able to showcase our TKF™ technology. During the exercise Titomic went head-to-head with competitors to repair components provided by the Navy. The objective was to compare cold spray repair systems and Titomic's repair solution demonstrated superior repair performance and operational responsiveness during comparative evaluations conducted alongside competing cold spray technologies.

TKF™ Tactical

During the PBDE exercise, the Titomic team received real time feedback from the customer that the existing systems needed to be modified for Naval requirements on the ships. Based on this feedback, Titomic redesigned the TKF™ 523 system and put it in a pelican case that was small enough to fit down a ship's hatch and adapted the system to operate on ship air and power. This redesign shows our willingness to listen to our customers and adapt our technology to fit their needs and desires. The team held a demonstration of the new design on July 14-15 and received positive feedback on the responsiveness of the new design. The redesigned system demonstrates Titomic's ability to rapidly translate direct warfighter feedback into fielded product improvements—a key competitive advantage supporting future expeditionary manufacturing applications.

Progress Toward U.S. Redomiciliation

Following commencement of planning activities announced during Q1, Titomic entered a Scheme Implementation Deed to establish a new Delaware holding company. Subject to shareholder, Court and regulatory approvals, Titomic intends to complete the transaction during H2 2026 while maintaining its ASX listing through CHESS Depositary Interests.

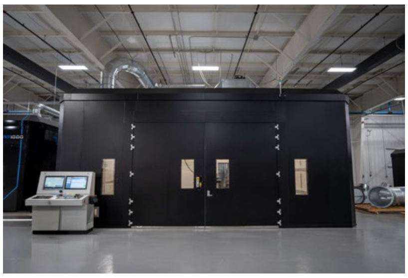
The Board believes the transaction positions the Company to better access U.S. defense programs, capital markets and future strategic opportunities. Key defense primes have expressed strong alignment with Titomic's long-term strategy, reinforcing confidence in the Company's approach and creating opportunities for expanded strategic partnerships.

The Board believes that aligning Titomic's corporate structure with its expanding U.S. operations positions the Company to better participate in major U.S. defense programs, broaden institutional investor participation, and enhance long-term shareholder value.

U.S. Defense Collaboration

Titomic signed a multi-year Cooperative Research and Development Agreement (CRADA) with a U.S. military research organization establishes a long-term framework supporting multiple collaborative research efforts expected to advance next-generation manufacturing technologies for defense production, sustainment and survivability applications.

The collaboration supports development of Titomic Kinetic Fusion™ technology across manufacturing, repair, restoration and survivability applications aligned with U.S. Department of War priorities.



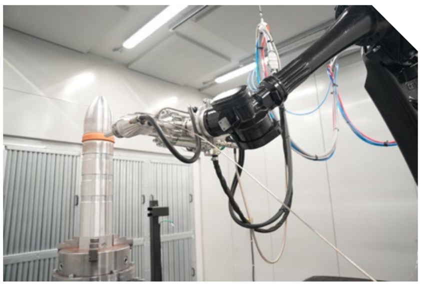
Titomic USA Celebrates First Anniversary

June marked the first anniversary of Titomic USA's operations in Huntsville, Alabama - a milestone reflecting one year of accelerated growth and operational expansion.

While establishing its presence in the United States, Titomic simultaneously transformed its Huntsville facility into a world-class Titomic Kinetic Fusion™ manufacturing hub, creating a flagship center for advanced manufacturing, innovation, and commercialization.

The ability to showcase our innovative technology at the facility educates the community on the possibilities where TKF™ can change the way components are produced today. While many of Titomic's early engagements were driven by necessity, organizations are now actively seeking out the Company to leverage its advanced manufacturing capabilities.

During its inaugural year, Titomic established advanced manufacturing capabilities including installation of the flagship TKF™ 3250 system, a TKF™ 1000 system, expanded TKF™ 623 and TKF™ 523 production systems, a dedicated metrology laboratory, an integrated machine shop, and vertically integrated to support pre and post processing requirements.



These investments have significantly strengthened the Company's ability to deliver end-to-end manufacturing, repair, coating, restoration, and sustainment services to customers across aerospace, defense, energy, oil and gas, and industrial markets.

The Huntsville operation now serves as the Company's global headquarters and continues to expand customer engagement, technical capability, and strategic partnerships throughout North America. Over its first year of operation, Huntsville has evolved from a startup operation into Titomic's global manufacturing headquarters, capable of supporting research, prototyping, qualification, production, repair and sustainment activities under one roof.

TWI Partnership Expands Commercialization Pathway

Titomic signed a Memorandum of Understanding (MoU) with The Welding Institute (TWI), creating a strategic collaboration to accelerate the commercialization of Titomic Kinetic Fusion™ cold spray technology across aerospace, defense, energy, nuclear, rail, and industrial markets.

By combining Titomic's advanced cold spray manufacturing capabilities with TWI's globally recognized expertise in materials science, metallurgy, and certification, the partnership provides an end-to-end pathway from proof of concept and qualification through to industrial-scale deployment, strengthening Titomic's ability to deliver certified, production-ready solutions to global customers. Together the organizations intend to accelerate qualification of advanced manufacturing technologies for regulated industries worldwide.

Leadership Updates

Established European Strategic Advisory Group

Titomic established its European Strategic Advisory Group, bringing together three highly respected military leaders: Lieutenant General Dennis Luyt (Royal Netherlands Air Force), Brigadier General Wolfgang Richter (German Armed Forces and NATO), and Lieutenant General Sir Charlie Stickland (United Kingdom Armed Forces). Collectively, the group provides decades of operational leadership, NATO expertise, and strategic guidance to support Titomic's continued expansion throughout Europe.

Titomic Appoints Doug Graham to U.S. Strategic Advisory Group

Titomic further enhanced its strategic capabilities by appointing former Lockheed Martin Vice President Doug Graham to its U.S. Strategic Advisory Group.

Mr. Graham brings extensive experience leading advanced aerospace, missile, weapons, and space programs, complementing an advisory team comprised of senior leaders from Boeing, the U.S. military, and the defense industry. His appointment further strengthens Titomic's engagement across defense modernization and advanced manufacturing initiatives.

Strategic Momentum

- Multiple major U.S. defense prime contractor engagements during the quarter
- Growing qualification pipeline across aerospace and defense
- Increasing adoption of Titomic Kinetic Fusion™ technology
- Manufacturing infrastructure substantially complete
- Multiple strategic partnerships established
- Positioned for commercial scaling during H2 2026

Cash flows

The Appendix 4C shows that Titomic had AUD 14.3 million at the end of June 2026. Receipts from customers were AUD 1.5 million for the quarter, down from the prior quarter and lower than anticipated. Customer payments of AUD 0.5 million were anticipated to be received in June 2026 but were delayed until July 2026. In addition to this some of the anticipated orders for Q2 will now fall into Q3. The Company reconfirms that it anticipates growth in customer orders and receipts from customers in the second half of 2026.

Cash flows from operations were AUD 8.3 million outflow (compared to AUD 7.1 million outflow in the prior quarter). Operating cash outflows during the quarter primarily reflected deliberate investments supporting the Company's transition from technology development to scaled manufacturing operations, including strategic inventory purchases, commissioning of production equipment, qualification activities, manufacturing capability expansion, and corporate activities associated with the proposed U.S. redomiciliation. The Company invested more than AUD 0.7 million in strategic refractory metal inventory supporting ongoing defense manufacturing programs. These materials remain in inventory at quarter end and are expected to support future production activity.

Cash flows from investing activities were AUD 2.3 million outflow (compared to AUD 4.4 million in the prior quarter). Investing activities primarily reflect completion of strategic manufacturing infrastructure at the Huntsville Global Headquarters and continued expansion of the Company's European manufacturing capability. These investments substantially complete the Company's planned manufacturing build-out and position Titomic to support anticipated increases in commercial production activity.

As the Company noted above it anticipates growth in receipts from customers in the second half of 2026. Customer receipts were lower than anticipated due primarily to the timing of customer payments and contract execution milestones rather than changes in customer demand.

The Company is in negotiations with the Export-Import Bank of the United States (EXIM) under its "Make More in America Initiative" and the Office of Strategic Capital (OSC). Targeting $US25 million from both parties. The Company has submitted detailed applications with both organizations and has engaged JP Morgan in an advisory capacity (under guidance from EXIM). Based on current discussions, the Company expects feedback from EXIM within Q3 2026 and feedback from OSC in Q4 2026.

The Company believes the investments made during the quarter—including manufacturing infrastructure, certification, strategic partnerships and advanced materials inventory—position Titomic to support anticipated growth in customer activity during the second half of 2026 and beyond, with cash flow and EBITDA break-even expected during 2027.

This announcement has been authorized for release by Titomic's Board of Directors.

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ABOUT TITOMIC LIMITED

Titomic Limited (ASX: TTT) is a leading Advanced manufacturing company with global operations specializing in large integrated solutions for industrial- scale metal additive manufacturing, coating, and repairs using its patented kinetic fusion cold spray (Titomic Kinetic Fusion™) technology. Titomic Kinetic Fusion™ cold spray solutions provide OEM production and R&D services to the global Aerospace, Defense, Shipbuilding, Oil & Gas, Mining and Automotive industries. Titomic also offers global sales and support for all its Titomic Kinetic Fusion™ cold spray AM activities from its Huntsville, Alabama Global Headquarters, as well as through local presence in the Australia and Europe. Titomic delivers competitive advantages in metal additive manufacturing at every stage in the product value chain. For more information, please visit 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 commercializing 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.

Appendix 4C
Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of Entity

TITOMIC LIMITED

ABN	**Quarter Ended ("Current Quarter")**
77 602 793 644	30 June 2026

Consolidated Statement of Cash Flows		**Current Quarter $A'000**	**Year-to-Date (6 months) $A'000**
1.	**Cash flows from Operating Activities**		
1.1	Receipts from customers	1,480	4,853
1.2	Payments for:		
1.2a	(a) research and development	(10)	(586)
1.2b	(b) product manufacturing and operating costs	(2,745)	(4,463)
1.2c	(c) advertising and marketing	(947)	(1,744)
1.2d	(d) leased assets	-	-
1.2e	(e) staff costs	(4,620)	(9,729)
1.2f	(f) administration and corporate costs	(2,198)	(3,851)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	221	773
1.5	Interest and other costs of finance paid	(118)	(355)
1.6	Income taxes paid	(9)	(9)
1.7	Government grants and tax incentives	737	741
1.8	Other (provide details if material)	(50)	86
1.9	**Net Cash From / (Used In) Operating Activities**	**(8,258)**	**(14,284)**

2.	**Cash Flows from Investing Activities**		
2.1	Payments to acquire:		
2.1a	(a) entities	-	-
2.1b	(b) businesses	-	-
2.1c	(c) property, plant and equipment	(2,299)	(6,640)
2.1d	(d) investments	-	-
2.1e	(e) intellectual property	-	-
2.1f	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
2.2a	(a) entities	-	-
2.2b	(b) businesses	-	-
2.2c	(c) property, plant and equipment	-	-
2.2d	(d) investments	-	-
2.2e	(e) intellectual property	-	-
2.2f	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	15
2.6	**Net Cash From / (Used In) Investing Activities**	**(2,299)**	**(6,625)**

Consolidated Statement of Cash Flows		**Current Quarter $A'000**	**Year-to-Date (6 months) $A'000**
3.	**Cash flows from Financing Activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	850
3.6	Repayment of borrowings	(200)	(334)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (principle portion of lease liabilities)	(143)	(243)
3.10	**Net Cash From / (Used In) Financing Activities**	**(343)**	**274**

4.	**Net Increase / (Decrease) in Cash and Cash Equivalents for the Period**		
4.1	Cash and cash equivalents at beginning of period	25,515	35,765
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(8,258)	(14,284)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,299)	(6,625)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(343)	274
4.5	Effect of movement in exchange rates on cash held	(359)	(873)
4.6	**Cash and Cash Equivalents at End of Quarter**	**14,257**	**14,257**

5.	**Reconciliation of Cash and Cash Equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current Quarter $A'000**	**Previous Quarter $A'000**
5.1	Bank balances	14,257	25,515
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**14,257**	**25,515**

6.	**Payments to Related Parties of the Entity and their Associates**	**Current Quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	353
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Description for item 1: payments for directors fees.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total Facility Amount at Quarter End $A'000**	**Amount Drawn at Quarter End $A'000**
7.1	Loan facilities	5,823	4,950
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-
7.5	**Unused financing facilities available at quarter end**		-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Loan facility is provided by First National Bank of Pulaski for capital equipment and is secured by US4.0 million (AU5.8 million) term deposit. Interest of 6.12% is payable (this is offset by current rate of 3.3% being earned from the term deposit). The facility is not amortising and is not due to be repaid whilst it remains secured by the term deposit. Titomic anticipates repayment or refinance of the facility when it achieves cash flow break-even anticipated sometime in 2027. The secured term deposit supporting the facility remains available as a strategic liquidity reserve while simultaneously reducing financing risk.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	(8,258)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	14,257
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	14,257
8.5	**Estimated quarters of funding available (Item 8.4 divided by Item 8.1)**	**1.7**

Note: if the entity has reported positive net operating cash flow in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimate quarters of funding available must be included in item 8.5

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: No. The Company does not expect operating cash outflows to remain at current levels, it anticipates improved cash flows from operations in the second-half of 2026. During the quarter Titomic completed significant investments in manufacturing capability, facility commissioning, strategic inventory, and qualification activities. Customer receipts are expected to increase during the second half of 2026 as previously announced commercial contracts commence delivery, delayed customer payments received after quarter end are collected, and additional production opportunities progress through the sales pipeline.

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Yes. The Company is actively pursuing non-dilutive financing alternatives with the Export-Import Bank of the United States (EXIM) and the Office of Strategic Capital (OSC) targetting a US$25 million loan from each organization. Based on current discussions, the Company expects feedback from EXIM within Q3 2026 and feedback from OSC in Q4 2026. The Board believes these initiatives provide an appropriate pathway to support the Company's growth strategy.

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes. The Company expects to continue operating and executing its strategic objectives based upon existing cash reserves, anticipated increases in customer receipts during the second half of 2026, announced financing initiatives, and continued growth of its commercial and defense opportunity pipeline.

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance Statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 31 July 2026

Authorised by: Titomic Limited Board of Directors