Setting the Quality Standard for Additive Manufacturing

The Promise, The Problem and The Solution
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The Promise, The Problem, and The Solution

What’s changed? Why Now? Why Sigma?
Sigma Labs Overview

- Develop In-Process Quality Assurance solutions for the Additive Manufacturing industry
- Headquartered in Santa Fe, N. M
  - Roots of the company go back to Los Alamos Labs engineers, scientists, statisticians, etc. that did project and grant work
- Patented technology that detects and identifies defects and anomalies real-time during the 3D printing process of metal parts
- Significant lead with formidable barriers of entry to impede competition pursuing us
- Business Model that will accelerate both in revenue and profitability with the growth of the industry

<table>
<thead>
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<th>NASDAQ: SGLB</th>
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<tbody>
<tr>
<td>Share Price(^1)</td>
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<td>Market Cap(^1)</td>
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<tr>
<td>FY 2020 Revenue(^2)</td>
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<td>FY 2019 Revenue(^3)</td>
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<td>Net Debt(^2)</td>
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<td>Cash(^2)</td>
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<td>Patent Portfolio(^2)</td>
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<td>Outstanding Shares(^1)</td>
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1) As of March 23, 2021
2) As of December 31, 2021
3) As of December 31, 2019
Promise of 3D Metal Printing

- Design freedom
- On-demand manufacturing
- Increased agility
- Increased customization and personalization
- Stronger, lighter and more durable parts
- Location agnostic

Medical

Oil and Gas

Automotive

Aerospace
ESG Impact of 3D Metal Printing

- Uses less material
  - Recycle unused powder
- Reduce transportation and warehousing costs
  - Produce part closer to where it’s needed
- Less waste
  - Produce only parts that are needed
  - No wasted inventory to carry
“Quality assurance (QA) is so crucial that it is largely considered as the biggest obstacle to the widespread adoption of AM technology, particularly for metallic materials.”

Smartech Publishing

“Assurance of print quality and repeatability is essential to the critical missions that we support.”

Kristi Farley, Vice President Spacecraft and Missile Engineering at Lockheed Martin Space.
When it comes to metal 3D printing, there is a wide range of variables that can affect the quality of a part. However, controlling these variables to enable repeatable, high-quality metal parts remains a challenge.

**Virtually unlimited design possibilities**

**More metal powders and metal alloys**

**Over 50 3D metal printer OEMs**
- Multiple generations, multiple processes.
- Single, dual and quad laser machines

**Post processing techniques and issues.**
- Cost & time of inspecting after the fact

**Varying degrees of competency**
Mission Statement

To accelerate the adoption of Additive Manufacturing by setting the standard for In-process Quality Assurance for 3D Metal Printing
The Solution - PrintRite3D®
Detects and Classifies Defects and Anomalies

- Lack of fusion
- Spherical porosity
- Key holing
- Inclusions
- Gas flow variation
- Re-coater interaction
- Short feed
- Insufficient support structure
The Solution – PrintRite3D Ecosystem

Part/Process Quality Decision Ecosystem

Everybody is smarter than anybody!
PrintRite3D® - Major 3D Metal Printers

IPQA®
Providing a consistent standard of quality across 3D printers
End User Benefits of PrintRide3D®

➢ Faster product development – reduced cycle-time
  ➢ Integration with simulation software
  ➢ Less trial and error
➢ Faster part qualification
  ➢ Saves time and money
➢ Minimizes waste
  ➢ Non-destructive inspection
  ➢ Stop bad builds in process
➢ Maximizes machine time
  ➢ Stop processes when defect detected
  ➢ Less trial-and-error builds
➢ Reduces post-production processing costs
  ➢ Dramatically reduces need for CT scans of final parts
  ➢ Non-destructive
Convergence of:

- Industry imperative and compelling event
- Improved software, printers, materials and processes

81% of manufacturers have an AM initiative

‘Use of 3D printing will explode.’

Thomas Friedman
Author, NY Times Columnist and Pulitzer Prize Winner
Why Sigma? End User Validation
Exciting Start to 2021

“Assurance of print quality and repeatability is essential to the critical missions that we support.”

Kristi Farley, Vice President Spacecraft and Missile Engineering at Lockheed Martin Space.

Initial contract with European aerospace company

- PrintRite3D Ready
- Factory install of PrintRite3D
- Quad laser machine

Initial contract with a Turkish Enterprise

- PrintRite3D Ready
- Factory install of PrintRite3D
- Quad laser machine
Why Sigma? Leveraged Model

Preferred Monitoring Solution

- PrintRite3D Ready
  - Single and dual laser machines
  - Certified by DMG MORI and Sigma Labs engineers

- DMG PrintRite3D interface
  - Sold and supported by DMG
  - Printer accommodates our optics

- Joint sales activities in process in USA and Europe
Why Sigma? Leveraged Model

‘The integration of the PrintRite3D Melt-Pool Monitoring solution in our MetalFAB1 is an important addition to our product portfolio. The PrintRite3D solution matches very well with our focus on quality,’

Mark Vaes, CEO and CTO, Additive Industries

PrintRite3D® Ready
Protecting our IP

These patents encompass the fundamental technology underlying Sigma Labs’ melt pool process control, data analytics, anomaly detection, signature identification, & future “closed loop control” of 3D metal printing.

<table>
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*As off September 15, 2020
Setting the Quality Assurance Standard for Additive Manufacturing.

PrintRite3D® solutions provide a consistent standard across metal 3D printers. Real-time in-process inspection reduces your costs and improves quality.
Why Sigma?

- PrintRite3D technology validation
  - Global manufacturers
  - Universities and International R&D organizations
  - Additive manufacturing ISVs
  - Government entities
  - 3D printer OEMs

- Expanded PrintRite3D Product suite
  - PrintRite3D Lite
  - PrintRite3D DED

- Financially strong
  - No debt
  - Increased cash balance

- Leveraged business model gaining traction
  - DMG MORI
  - Additive Industries
  - Materialise

- World-class Sales organization
  - North America and Europe
  - Support, train and transfer knowledge

- Focused marketing activities
  - Increased activity and ability to execute

- Radical Collaboration
  - International standards groups
  - Customers
  - Strategic partners
The Promise, The Problem and The Solution

What’s changed? Why Now? Why Sigma?