



CREATING HARD THINGS

# NewH2 Knowledge Exchange – Update

# THE MELT

We provide capital, expertise and advice to Australian advanced manufacturing businesses

01

## Programs

Education to help support businesses and their employees to succeed

02

## Consulting

Supporting corporates and government on innovation and advanced manufacturing

03

## Capital

To speed up growth in early stage companies



# THE MELT - FACILITIES

- Two Industrial Prototyping centres in the Hunter Valley
- Aimed to provide agile prototyping services to manufactures on low volume quick turn around basis
- Muswellbrook site is new purpose built site focused on supporting existing and new businesses
- MBK also supports STEM programs in local high schools
- Upper Hunter based - Energy transition focused



EARLY IS OUR SWEET SPOT

**80%** of the Portfolio were Seed  
or Pre Seed

**&** We led **70%** of deals  
in the last 12 months



IMPACT IS IMPORTANT

**60%** of the  
Portfolio Aligned  
to UN Sustainable  
Development Goals

**13** CLIMATE  
ACTION



**12** RESPONSIBLE  
CONSUMPTION &  
PRODUCTION



**8** DECENT WORK  
& ECONOMIC  
GROWTH



**7** AFFORDABLE &  
CLEAN ENERGY





# FUND THEMES

The AAMSF intends to predominantly invest in the following sectors:

01

## Clean Technology

Target investments include renewables and storage, agriculture, water, waste and the circular economy, transport and logistics.



02

## Internet of Things

Target investments include medical technologies, sensor systems, communications technologies, safety and advanced power systems.



03

## Advanced Manufacturing

Target investments include automation and robotics, aerospace, AI/ML, VR, additive manufacturing, deep tech and advanced materials.



# FUND THESIS Hardware is the New Software

There are a number of Global Trends that support this thesis:

- Global governments are now investing in domestic manufacturing capability after decades of inaction. The COVID-19 pandemic has further highlighted the need to build local manufacturing capability and lost onshore expertise (Sovereign Risk).
- Global energy transition towards net zero where the majority of clean energy projects are hardware related including wind, solar and batteries.
- Industry 4.0 technologies makes establishing hardware startups cheaper and faster, similar to the cost reductions in starting software businesses over the last 10 years.



# FUND THESIS **On the ground**

- There is disproportionate capital available for hardware/ manufacturing startups (less than 8% of capital<sup>1</sup>) compared to software. There are no dedicated Advanced Manufacturing Funds (ESVCLP'S) in Australia
- We believe this lack of funding comes from a lack of Venture Capital expertise in the space not from a lack of quality deal flow.
- We believe this lack of competition for investment creates lower valuations and therefore larger upside opportunities.
- Startups in the Fund focus themes provide higher levels of deep defensible IP with patentable technologies.
- There is a large opportunity for the Fund to participate in University spin-out companies in the Advanced Manufacturing sector.







# THANKYOU - QUESTIONS

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