

**Visibility:** Clear

**Current:** Calm

**Report:** We are getting very close! The first of the injection molded parts and the first shipment of battery packs have arrived at our facility. While we wait for the remainder of the molded parts, we are fine tuning the user manual and online training program and starting to build subassemblies using the molded parts.

### **Injection Molding:**

All of the injection molds are finalized and we expect to receive the remainder of the molded parts within the next week to week-and-a-half. Earlier this week, we picked up the first production molded parts from the molder's facility in Delray, which is only about a 20 minute drive from our facility. We couldn't be more excited to finally start building subassemblies with production injection molded parts!

The two parts that we picked up are the coil bobbins and the magnet rod halves. Each of these are used in subassemblies that can be started ahead of the main assembly, so we had the molders begin these parts first. The coil bobbins are used for winding motor wires to create electromagnet motor cores. The magnet rod halves are housings for cube magnets which we bond together to create what we call the magnet rod. These subassemblies are two of the more time-consuming processes in the assembly line, so we're getting a head start on them when our eyes get tired from staring at the user manual.

### **Battery Packs:**

We've received the first 50 units of battery packs and they look great! A larger shipment is travelling to us by sea and the manufacturer is holding more in their facility on standby. If we are going to require more than 50 units prior to the sea shipment arriving, they will be able to deliver some quickly via air freight. The good news is that we've got enough to get started, and we're done with the certification process.

### **User Manual:**

The User Manual for NEMO has been a work in progress over the recent months. With so much of our time going into engineering, finalizing molded parts and setting up the assembly line, among other things, we've put the User Manual

on the back burner for a little while. But this week we set a major focus to dial it in and finalize it. We've got a little left to do, but it should be ready to print within the next week or so. It's very important that our customers read the user manual before first use!

### **Online Training Program:**

Each NEMO comes with a free online training course that is required to be completed prior to use of the NEMO. It is highly recommended that the user's first dive take place in a swimming pool or in a body of water with pool-like conditions after taking the online training course to gain comfort in the water, especially for first-time divers. We have two experts in the field of dive training currently reviewing and touching up our online training course before we deliver out the first units. We've set a deadline of two weeks from now for them to complete all revisions, as we believe we'll be very close to shipping out the first units within two weeks.

**Forecast:** This is going to be a very exciting month ahead. We expect to have all of the parts necessary to build the first units within two weeks from today. At that point, we will build a small batch of NEMO's to ensure that nothing has changed with the parts since the last evaluations. Each one of those NEMO's will be thoroughly inspected, tested, and double-checked. Once all checks out, the first units will be built and shipped. As of right now, we expect that this will likely happen within a month from today. This has been a very long journey; longer than we had originally thought it would be to get to this point. The BLU3 Team is so thankful for the support that you have given us throughout the journey, we couldn't have done it without you!

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