

# 1. Executive Summary

An outline of ArmaTech Industries' vision, mission and strategy.

**Written for government, defence, investors, industry partners, and community stakeholders** who want to understand our direction.

*Three core questions addressed:*

## **The Problem –**

Australia lacks the sovereign capacity to design and mass-produce advanced technologies, leaving it dependent on fragile supply chains for resources and critical technologies.

## **The Solution –**

ArmaTech Industries is revitalising Australia's sovereign capability by developing autonomous technology, defence-grade systems, and advanced infrastructure.

## **The Outcome –**

A sovereign, resilient, and future-ready industrial base. ArmaTech's model will deliver automated, sustainably powered facilities that strengthen national security, support allied readiness, and drive Australian-led innovation.

### **1.1. The Problem: Geopolitical Tension & Capability Gap**

Australia's industrial base has been diminishing for decades. In the post-World War II era, manufacturing contributed roughly 25% of GDP and employed nearly one-third of the workforce. Over successive decades, liberalisation, offshoring, and currency pressures steadily eroded that foundation. Today, manufacturing contributes just 5–6% of GDP, placing Australia among the weakest industrial footprints in the OECD.

#### **1.1.1. Policy & Liberalisation —**

Between the 1970s and early 2000s, tariff protections were dismantled, exposing domestic firms to global competition. Even protected industries such as textiles, steel, and automotive collapsed. Australia's last car plants closed in 2017 (Toyota, Holden).

#### **1.1.2. Globalisation & Offshoring —**

As Asia became the "world's factory," Australian firms shifted mass production offshore to exploit lower labour costs and scale efficiencies. The remaining local capability has often been limited to R&D, pilot runs or small-scale production, resulting in limited depth in sovereign manufacturing.

#### **1.1.3. Currency & Competitiveness —**

The mining boom lifted the Australian dollar, making exports less competitive and imports more affordable. Combined with falling trade barriers, this further eroded market share and discouraged reinvestment in local capacity.

The combined effect of these factors, along with others, has significantly impaired Australia's sovereign capability. Australia now imports most advanced goods – including defence systems, medical technologies, electronics, and other critical components. Between 1995 and 2019, the trade deficit in elaborately transformed manufactures (ETMs) grew to ~AUD\$215 billion, while ETM exports remained stagnant at ~AUD\$36 billion. The nation exports raw minerals but imports the high-value technologies built from them — often at 2 to 100+ times the cost.

#### **1.1.4. Defence Perspective —**

In 2023–24, the defence industry contributed AUD\$11.9 billion in gross value added (0.47% of GDP) and employed ~69,400 people, with only ~11,400 in direct material production. For comparison, Woolworths alone employs more than 200,000 Australians.

#### **1.1.5. Supply Chain Fragility & Strategic Leverage —**

COVID-19 exposed the risks of dependency. Australia lacked local capacity for PPE, ventilators, and pharmaceuticals, relying almost entirely on imports. Broader vulnerabilities remain in semiconductors, mineral processing, and electronics. Export restrictions, such as China's rare-earth quotas, show how quickly supply chains can be weaponised.

#### **1.1.6. Geostrategic & Regional Risk —**

Australia's geography—remote and reliant on maritime trade routes—magnifies vulnerability. Rising Indo-Pacific tensions mean shipping lanes, ports, and supply chains could be disrupted. Without sovereign production, Australia risks coercion, delays, and reliance on allied prioritisation in times of crisis.

#### **1.1.7. Regional & Social Consequences —**

Industrial decline has disproportionately affected regional centres that were once heavily reliant on manufacturing. Communities have lost skilled employment and economic diversity, resulting in urban concentration and social disparities. Rebuilding sovereign capability is therefore both a strategic and social priority: distributing high-skilled jobs, revitalising regional towns, and ensuring benefits are widely shared.

#### **1.1.8. International Comparisons —**

Other mid-sized powers demonstrate what is possible when industry is tied to security. Canada (~38m population) sustains ~9.5% of GDP from manufacturing. South Korea (~52m) derives 24–25%. Israel (~9m) generates ~11% and exported US\$14.7 billion in defence goods in 2024, exceeding Australia's total advanced manufacturing exports. These examples illustrate the impact that strategic commitment can have.

## 1.2. The Solution: Revitalising Australia's Industrial Base

ArmaTech Industries is an R&D and strategy start-up focused on developing autonomous technology, defence-grade systems, and advanced infrastructure. The company's core initiative is to revitalise Australia's industrial base by establishing domestic facilities to design, test, and produce technology at scale for Australia and its strategic allies.

### **Our vision:**

*"Strengthen capability & sovereignty through defence-grade R&D and mass manufacturing".*

### **Our mission:**

*"Establish autonomous, sustainable, & scalable facilities that deliver advanced technology".*

Our model is designed not only to advance our own technologies but to provide service capacity for innovators, SMEs, and partners who lack access to scalable infrastructure.

## 1.3. Strategic Pillars:

ArmaTech Industries is guided by four strategic pillars. These represent the foundation of our initiatives to revitalise Australia's industrial base, deliver sovereign capability, and create scalable, future-ready systems.

### **1.3.1. Advanced Infrastructure —**

**Automated Factories** – lights-off production, "machines building machines."

**Bunkers** – secure, resilient facilities for operations, R&D, and protection.

**Innovation Hubs** – co-working sites for SMEs, startups, and partners.

**Sub-Nautic Facilities** – for company operations and deployment of underwater systems

**Data Centres** – to support systems, simulations, and digital growth/transformation.

**Recycling & Refurbishing Plants** – circular economy integration, turning industrial waste into stock.

These facilities will be strategically located, often repurposing old mines, refineries, or decommissioned industrial sites — particularly in regional and rural Australia. This ensures resilience, decentralisation, and increased supply of high-skilled jobs.

### **1.3.2. Autonomous Technology —**

ArmaTech currently develops modular, multi-domain autonomous systems designed to serve both internal operations and external applications across defence, civil, and commercial sectors. These technologies enhance ArmaTech's own production capacity and processes, while simultaneously delivering deployable solutions for logistics, ISR (intelligence, surveillance, reconnaissance), and support roles. The focus is on scalable, interoperable systems that can adapt to varied environments and requirements, positioning ArmaTech at the intersection of sovereign defence capability and broader industrial innovation.

### **1.3.3. Defence-Grade (Multi-Use) Systems —**

As mentioned, ArmaTech's pipeline of multi-use, defence-grade technology is designed to support operational and logistical requirements. Flagship projects include the Arachnid ISR platform, the Mule logistics and support droid, and modular Counter-Measure Kits (CMKs). Beyond the immediate portfolio, ArmaTech has a backlog of advanced concepts, including swarm packs, space-retrieval systems, and sub-nautical technologies, among others.

### **1.3.4. Research & Development (R&D) —**

ArmaTech has six interconnected R&D fields: aerospace, defence, infrastructure, manufacturing, robotics, and sustainability. Encompassing both in-house innovations and an offering to external partners, through Prototyping-as-a-Service (PaaS) and Manufacturing-as-a-Service (MaaS).

## **1.4. Current Status & Roadmap:**

### **1.4.1. To Date (Foundation Phase) —**

ArmaTech has established its base operations with a small office and workshop, fitted with 3D printers and light-industrial tooling. Early efforts are focused on the rapid prototyping of flagship projects, including the Arachnid ISR platform, Mule logistics droid, and modular Counter-Measure Kits. This phase has laid the foundation for demonstrating capability and engagement.

### **1.4.2. Now (Expanding Phase) —**

Produce iterative prototypes, supported by 3D modelling, animations, and live demonstrations at defence and innovation showcases. An advanced workshop will be established to increase production capacity and validate manufacturing methods. This stage also launches PaaS, opening access to individuals, SMEs and partners. A seed investment of AUD \$1-2 million will be secured to accelerate these efforts, bringing strategic partners and investors into the fold to prepare for scaled operations.

### **1.4.3. Future (Scale-Up Phase) —**

Mature flagship projects while venturing into backlogged concepts. Automated production lines — “machines building machines” — will be deployed, integrating sustainable energy systems and circular material recovery. Contracts with allied partners will be targeted, positioning ArmaTech as a sovereign national hub for defence-grade R&D, MaaS, and advanced infrastructure.

## **1.5. The Outcome:**

### **1.5.1. Sovereign Resilience —**

Reduces Australia's dependence on fragile imports by enabling domestic design, testing, and production of critical systems. Sovereign capacity becomes a core pillar of national security and strategic autonomy.

### **1.5.2. Advanced Manufacturing & Sustainability —**

Sustainably powered, automated production lines and circular systems form the backbone of future-ready industry. This ensures efficiency, resilience, and sustainability are embedded at scale.

### **1.5.3. Allied Deterrence & Readiness —**

Australia transitions from consumer to contributor, strengthening AUKUS and Indo-Pacific partnerships through sovereign technologies that increase readiness and deterrence.

#### **1.5.4. Innovation Ecosystem —**

PaaS & MaaS lower barriers for local innovators, startups, and SMEs. ArmaTech becomes a launchpad for new technologies and sovereign supply chain solutions.

#### **1.5.5. Regional Development —**

Repurposed mines, refineries, and industrial sites in non-metro regions become innovation hubs, creating high-skilled jobs, diversifying economies, and revitalising regional communities.

#### **1.5.6. Strategic Differentiation —**

ArmaTech positions Australia as a nation capable of delivering defence-grade systems and advanced infrastructure at scale. This marks a significant structural shift in Australia's role: from an import-reliant consumer back to a sovereign producer and strategic industrial partner.

### **1.6. Executive Summary Conclusion:**

Australia's industrial decline has left the nation vulnerable, as it is reliant on fragile supply chains for its most critical needs. The urgency to rebuild sovereign capability is apparent due to geopolitical tensions. ArmaTech Industries offers a practical and scalable solution, featuring a focused strategy that leverages autonomous systems, defence-grade technologies, advanced infrastructure, and R&D leadership.

Our model is not theoretical — it is structured, phased, and actionable. By combining rapid prototyping with Manufacturing-as-a-Service, repurposing underutilised industrial assets, and deploying automated production lines, ArmaTech will establish hubs capable of designing, testing, and producing advanced technologies at scale.

The result is a resilient and future-ready industrial base that enhances national security, strengthens allied partnerships, and drives innovation-led economic growth. With alignment from government, investors, and industry, ArmaTech can transition from a prototyping lab into a national asset — positioning Australia as a producer, not just a consumer, in the next era of global security and technological competition.