



RDX Launches Supply Chain Improvements with Easily Advances



Background

Headquartered in Saint-Jean-sur-Richelieu, Quebec, Reaction Dynamics (RDX) is in the business of putting small satellites into lower orbit using its unique hybrid rocket technology. While other companies operate like a bus, carrying heavier payloads from multiple customers to a general destination in orbit, RDX operates like a taxi, bringing satellites to a precise orbit and inclination in space. **The simplicity of its Canadian-made, 3D-printed, single-piece rocket engine allows for a quick turn-around time.**

*"RDX's Aurora rocket is designed to be responsive - you give us four weeks, and we'll have a rocket ready to take you exactly where you need to go. **And although we're a taxi, we charge like a bus.**"*

- Lennie Ryer, CFO, Reaction Dynamics

Challenge

As an early-stage company developing proprietary launch capabilities, almost everything RDX does is R&D. Although this accrues a healthy annual SR&ED refund for the company, cash is needed throughout the year to fund operations. **Being pre-revenue, RDX needs to rely on external capital, which is not easy to come by in today's capital markets.**

"We've heard from many institutional players and high net-worth individuals that they are simply not interested in taking on new risks at the moment. This creates an environment where capital sources dry up pretty quickly."

Furthermore, supply chain issues brought on by the pandemic caused long delays in the delivery of RDX's engines, which at the time were being 3D-printed in Texas. These delays grounded testing and slowed R&D.

Solution

RDX used Easily Advances to turn its accrued SR&ED credits into steady cash flow to fund operations. The funds also enabled the company to purchase a specialized 3D printer to produce its engine right here in Canada.

*"Working with Easily was a very easy decision for us because of their responsiveness, turnaround time, terms of financing, and reasonable cost of capital. Most importantly, **they understood what we were doing and were responsive to our needs.**"*



Lennie Ryer
CFO
Reaction Dynamics

Conclusion

With sovereign launch capabilities ever more crucial, RDX is poised to be a leading provider for the Canadian space industry.

"Every country wants the ability to have their own spaceport, with their own rockets, taking their own satellites to space, and not be reliant on other nations to maintain their infrastructure of satellites. Because of that, we're getting a lot of support from the Canadian Space Agency and federal and provincial entities to help us succeed."