



ORBITAL®

Corporate
Presentation

July 22, 2015



ORBITAL®

ORBITAL is an innovative industrial technology company.

ORBITAL invents and builds smart technology that delivers improved performance outcomes for our clients in the mining & industrial, aerospace and consumer sectors.

ORBITAL operates on a global scale and is headquartered in Perth, Western Australia. From a world class facility, **ORBITAL's** innovation magic takes shape – from research and design to development, manufacturing and implementation.

Delivering cutting edge innovation within the industrial technology sector is what we do.

ORBITAL's innovation and technology leadership is exemplified by the patented REMSAFE remote isolation system for global mining and industrial applications and Orbital's UAVe business that produces and supplies engine and propulsion systems for unmanned aerial vehicles.



ORBITAL[®]

AEROSPACE

**MINING &
INDUSTRIAL**

CONSUMER



AEROSPACE



ORBITAL®
UAV



AEROSPACE

ORBITAL UAVe BUSINESS OVERVIEW

- **ORBITAL's** 35 year history of innovation in engine development technology is now focused within **ORBITAL UAVe** to design, develop, and construct the world's best leading edge engines and propulsion systems for Unmanned Aerial Vehicles ("UAV").
- The UAV market is growing rapidly and **ORBITAL UAVe** is poised to leverage the proprietary FlexDI™ technology and **ORBITAL's** unique ability to provide the "heavy fuel" solution specified for military applications, and to secure a commercial production contract which will underwrite the development of the large scale commercial UAV production facility in the United States.



AEROSPACE

THE WORLD'S BEST HEAVY FUEL UAV ENGINE

Equipped with **ORBITAL's** FlexDI™ fuel and combustion system.

Specialised muffler minimises noise and temperature profiles.

Best power to weight to Heavy Fuel application.

Proven cold temperature capability.

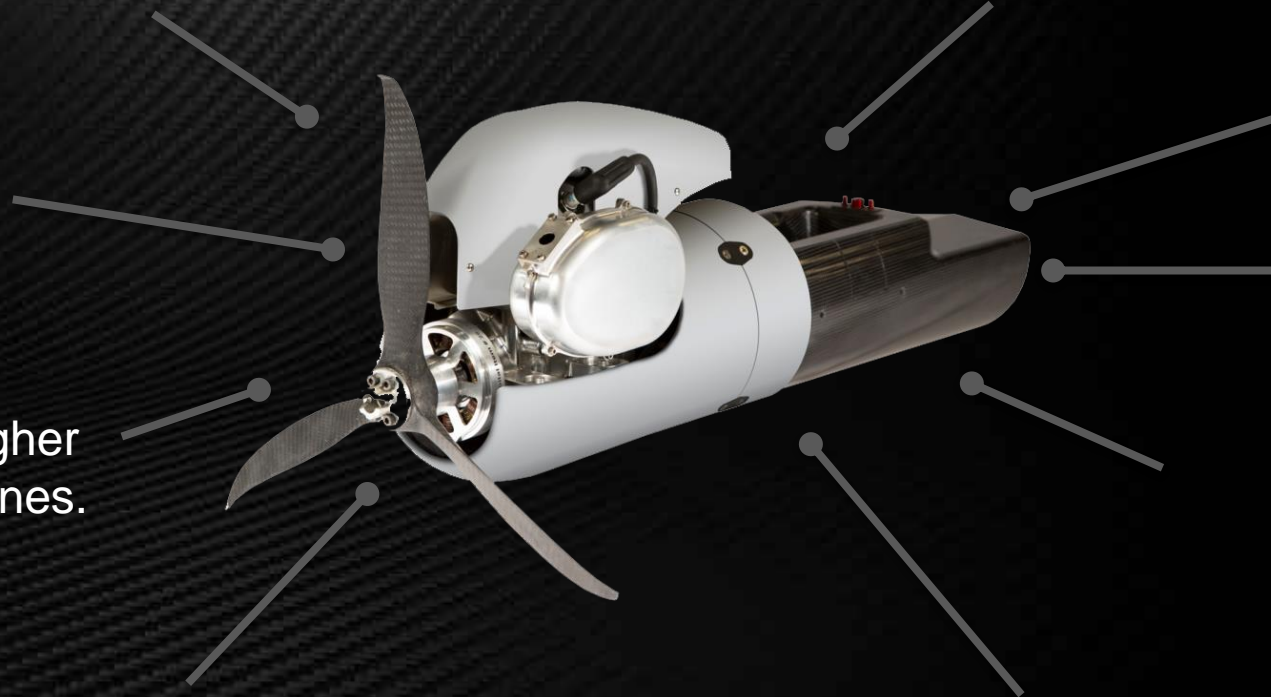
Fuel efficiency 40% higher than conventional engines.

Developed for smooth, low vibration operation.

Unique lightweight fuel system.

First fully self-contained UAV propulsion system.

High power-to-weight ratio and small package size engine.





AEROSPACE
UNIQUE SELLING POINTS

ORBITAL UAVE Propulsion System:

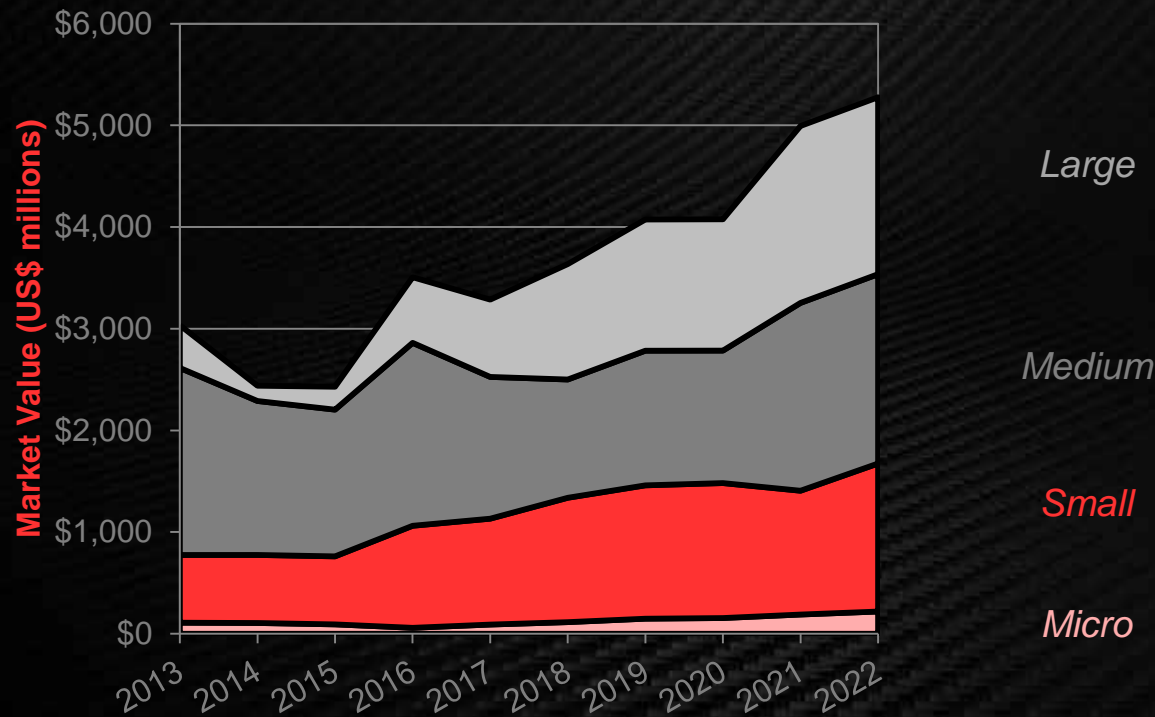
- Improves **aircraft range.**
- Improves **reliability.**
- Improves **durability.**
- Operates **on all fuel types.**



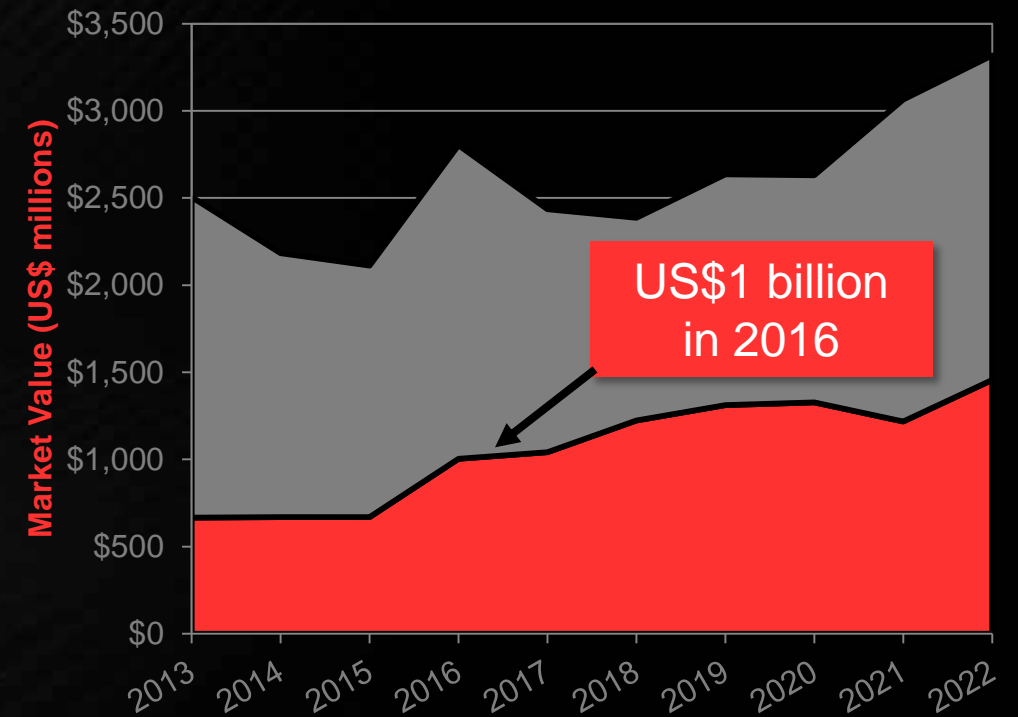
AEROSPACE GLOBAL MARKET OPPORTUNITY

- Global *Small UAV System* production market projected to reach US\$1.0bn by 2016.

Global UAV Projected Production Market



Global UAV Projected Production Market for Small and Medium UAV





AEROSPACE
KEY CUSTOMERS





AEROSPACE
INSITU, A SUBSIDIARY OF BOEING, HAVE CHOSEN
ORBITAL AS THE PREFERRED SUPPLIER FOR THE
SCANEAGLE UAV PROGRAM

“Insitu is proud to partner with **ORBITAL** to bring our customers increased mission reliability and capability with more affordable life cycle costs. **ORBITAL** is the leading small unmanned aircraft vehicle reciprocating internal combustion engine supplier in the industry, and the **ORBITAL** designed engine sets a new standard for unmanned aircraft propulsion”.

Ryan M. Hartman, President and CEO of Insitu



AEROSPACE MASSIVE GROWTH POTENTIAL

- **ORBITAL UAVe** is poised to graduate from global leadership in the design and development of UAV engines to become a significant global manufacturer of UAV engines and propulsion systems.
- A commitment to commercial production will require larger scale facilities enabling accelerated expansion into other growth UAV markets.
- A clear pathway exists for **ORBITAL UAVe** to generate annual sales in excess of A\$100 million.
- Orbital's ambition is for **ORBITAL UAVe** to be the leading global supplier of heavy fuel engines in the UAV industry.



MINING & INDUSTRIAL





MINING & INDUSTRIAL REMSAFE BUSINESS OVERVIEW

- **REMSAFE** is a patented, automated remote isolation system that enables plant operators to safely and promptly isolate fixed equipment from its energy source.
- The manual process of isolation is avoided completely as the **REMSAFE** remote isolation technology removes the requirement for manual operators at switch rooms and substations.
- **REMSAFE** optimises production, increases safety and delivers immediate cost savings.
- The system is currently utilised by BHP Billiton, Rio Tinto and FMG.

- The patented **REMSAFE** product is a system collectively made up of a number of individual components. Each installation requires a “Master Control Station” and at least one “Field Isolation Station”.



Master Control Station
(MCS)



Field Isolation Station
(FIS)



Selectable Isolation
Mode Cubicle (SIMC)



Failsafe Instrument Cubicle
(FIC)



MINING & INDUSTRIAL
UNIQUE SELLING POINT

One isolation switch.

Two buttons.

Three minutes to complete a verified, safe, full current isolation to unlock the production potential at your fixed plant operations.



MINING & INDUSTRIAL KEY CUSTOMERS

REMSAFE has been implemented in leading Australian mining operations.

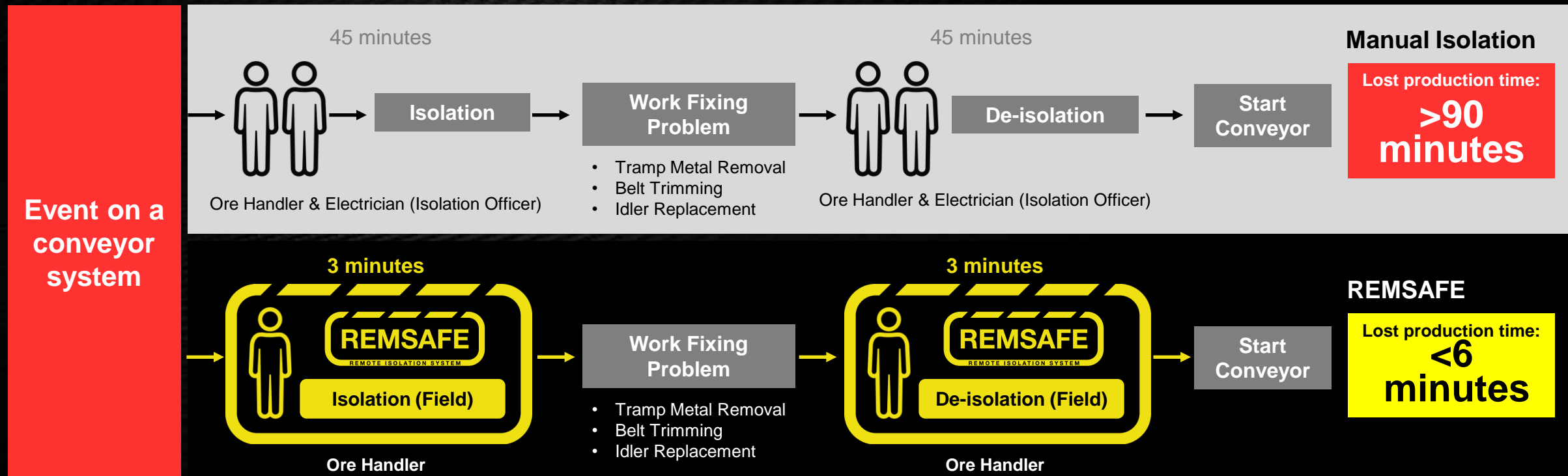


RioTinto

REMSAFE is targeted at high-volume fixed material handling plants in a wide range of industries across the globe.



- A typical manual isolation event* of a conveyor system can take **more than 90 minutes**.
- The **REMSAFE** remote isolation system can complete the same task in **less than 6 minutes**.
- As the **REMSAFE** system completes the isolation remotely, it is safer than current manual processes.



*An isolation event involves an isolation and de-isolation.



MINING & INDUSTRIAL ENDORSEMENT

“**REMSAFE** will reduce the isolation time significantly from 1½ hours to 3 minutes. This will not only save the business time, but also significant money each time the belt is isolated.”

Mining Manager

- **REMSAFE** automates a hazardous manual process potentially saving lives.
- Exposure to arc flash is completely eliminated with **REMSAFE**.





MINING & INDUSTRIAL MASSIVE GROWTH POTENTIAL

- **REMSAFE** is increasingly relevant for clients in a declining commodity price environment.
- Investment break-even point with **REMSAFE** can be reached within a few days.
- While currently proving successful with bulk commodity producers, opportunity extends for implementation in a wide range of industries across the globe.
- **REMSAFE** optimises production, increases safety and delivers immediate cost savings.



MINING & INDUSTRIAL ORBITAL GROWTH STRATEGY FOR REMSAFE

- **ORBITAL** continues to invest in the development of an expanded business plan for **REMSAFE** with confidence built on extraordinary customer interest and successful exploration of potential for expansion into new industries and product applications.
- Existing order book continues to grow with **ORBITAL** targeting rapid sales growth to annual sales in excess of A\$100 million.
- New pathways to market being created by **ORBITAL** with industry alliances driving new commercialisation opportunities.
- Successful expansion into new geographic and industry markets has the potential to be a game changer for **REMSAFE** products.





CONSUMER

SYNERJECT



CONSUMER

SYNERJECT BUSINESS OVERVIEW

- **SYNERJECT**, **ORBITAL's** 30:70 partnership with Continental AG, is the world largest independent supplier of engine management systems and fuel system to the non-automotive market.
- **SYNERJECT** manufactures and supplies innovative patent protected components including fuel injection systems and related pump modules, actuators, electronic control units and sensors, which have been developed leveraging **ORBITAL's** historic expertise and technology.
- Cost and quality competitive, **SYNERJECT** focuses on the recreational and scooter market and has a global presence with application centres in Europe, China, Taiwan and the USA.

- **SYNERJECT** provides applications for a range of leading high performance motorcycles, recreational vehicles and scooters.

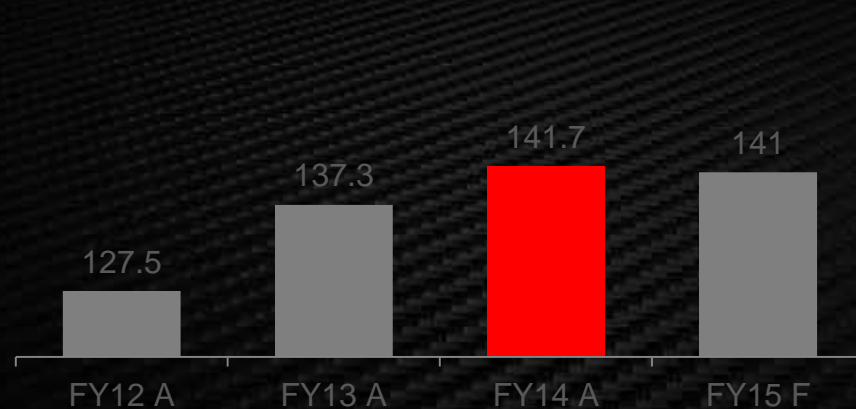




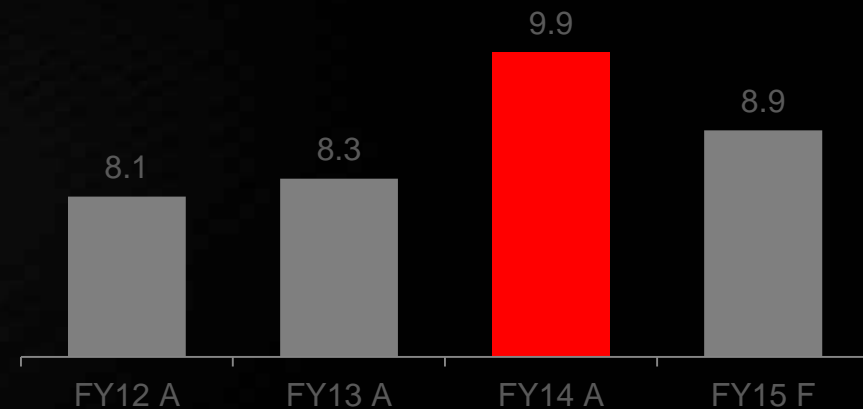
CONSUMER SYNERJECT VALUE

- **ORBITAL's** investment in **SYNERJECT** represents the successful commercialisation of Orbital generated technology.
- Previous equity transactions imply a value for **ORBITAL's** remaining 30% stake of US\$15m.
- **SYNERJECT** has generated stable revenue and profit performance.

SYNERJECT Revenue (US\$m) – 100% Interest



SYNERJECT NPAT (US\$m) – 100% Interest







ORBITAL ACCELERATOR

- **ORBITAL's** core engineering expertise becomes the “Orbital Accelerator”.
- The task for the **ORBITAL** Accelerator is to identify, innovate and develop new high value add products.
- The “filter” for products and developments is defined by a stringent process including technical feasibility and business plan analysis to maximise the revenue from investment.
- **ORBITAL** has a successful track record of “product incubation”, including the FlexDI™, Liquid LPG Systems for Ford Australia, LNG Dual Fuel Systems for Road Haul transport, UAV engines and propulsion systems.
- This initiative supports **ORBITAL's** aggressive growth strategy.

ORBITAL is an innovative industrial technology company:

1. Investing in high growth businesses.
2. Diversified across unique product offerings.
3. Exposed to global markets.
4. On a pathway to rapid commercialisation.
5. Attracting new opportunities to accelerate.



Capital Structure As at 31 May 2015

ASX Code	OEC
Ordinary Shares on issue	49.0m
Market Capitalisation (@ A\$0.51)	A\$25.0m
Convertible Notes (@ A\$0.40)	A\$9.6m
Other Debt	A\$8.6m
Cash	A\$9.8m

Major Shareholders (as at 31 May 2015)

Entity	# of shares (m)	Interest (%)
J P MORGAN NOMINEES AUSTRALIA LIMITED	5.1	10.38
BOARD AND MANAGEMENT	3.3	6.74
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2.5	5.09
CITICORP NOMINEES PTY LIMITED	2.1	4.19
ANNAPURNA PTY LTD	2.0	4.10
DEBUSCEY PTY LTD	1.1	2.25
BOND STREET CUSTODIANS LIMITED	1.0	2.13
MR MICHAEL WILLIAM FORD & MRS NINA BETTE FORD	1.0	2.04

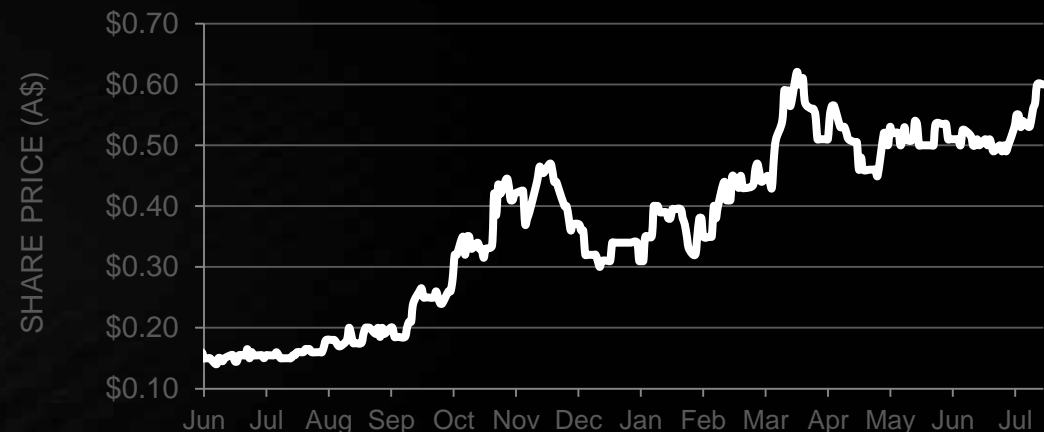
The top (20) shareholders hold 50.47% of the shares (as at 31 May 2015)

Source: <https://au.finance.yahoo.com/q/hp?s=OEC.AX>.

Directors / Senior Management

John Welborn	Chairman, Independent Non-Executive Director
Terry Stinson	Managing Director & Chief Executive Officer
John Poynton AM	Non-Executive Director
Dr Geoff Cathcart	Chief Technical Officer
Ian Veitch	Chief Financial Officer & Company Secretary

Share Price History



FINANCIAL YEAR 2015



CAUTIONARY STATEMENT

This presentation includes statements looking-forward that involve risks and uncertainties. These statements are based upon management's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of the Company, that could cause actual results to differ materially from such statements. Actual results and events may differ significantly from those projected in the forward-looking statements as a result of a number of factors including, but not limited to, those detailed from time to time in the Company's Annual Reports. Orbital makes no undertaking to subsequently update or revise the forward-looking statements made in this presentation to reflect events or circumstances after the date of this release.



ORBITAL®

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