



ORBITAL[®]
UAV

Investor Roadshow

October 2018

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.

Emerging world leader in tactical
UAV propulsion systems and
flight critical components




Recent highlights



- UAV focused strategy
- A\$22 million revenue in FY18
- Purpose built U.S. facility operational
- Launch of Modular Propulsion Solution
- Awarded supply contract for two Insitu Inc. designed engines
- Long Term Agreement expanded, potential value A\$350 million over five years



Where we compete

<h2>Combat UAV</h2>	<ul style="list-style-type: none">• Price per aircraft: \$55 million - \$65 million*• Payload: up to 1,700 kg• Length: up to 11 m• Wingspan: up to 20 m• Max endurance: 27 hours• Max altitude: 50,000 ft	<p>Example: MQ-9 Reaper</p> 
<p>CURRENT FOCUS</p> <h2>Tactical UAV</h2>	<ul style="list-style-type: none">• Price per aircraft: \$2.5 million - \$4 million per system**• Payload: up to 5 kg• Length: up to 2 m• Wingspan: up to 5 m• Max endurance: 24 hours• Max altitude: 20,000 ft	<p>Example: ScanEagle3</p> 
<h2>Mini UAV</h2>	<ul style="list-style-type: none">• Price per aircraft: ~\$180,000 per system***• Payload: up to 3.5 kg• Length: up to 0.9 m• Wingspan: up to 1.5 m• Max endurance: 60-90 minutes• Max altitude: 500 ft	<p>Example: The Raven</p> 

* Includes aircraft, sensors, ground control stations, and communications | ** Includes air vehicles or AVs, a ground control station, remote video terminal, launch system and recovery system

*** Includes UAVs, ground control stations and spare parts

Market landscape



90% Market Share



TEXTRON Systems



Tactical UAV
\$14.6Bn*



* UAS Market Outlook with Special Focus on Tactical Systems, Teal Group Corporation | For the years 2017-2026

Case study: Insitu ScanEagle[®] propulsion system

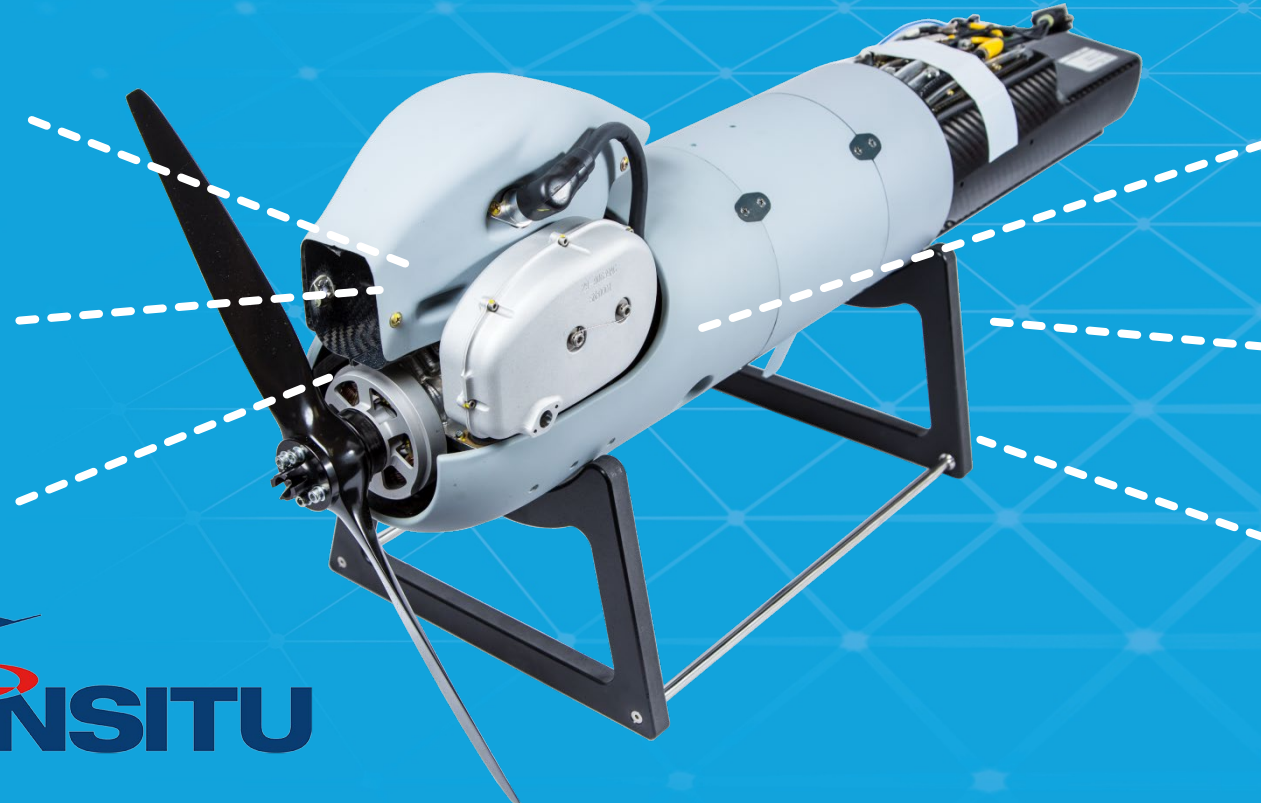


ORBITAL UAV supplies the complete, fully assembled and mission-ready ScanEagle[®] propulsion system

FlexDI™
Revolutionary fuel delivery and engine management components

Proprietary Combustion System

Compact Engine Package
High power-to-weight ratio



Electronic Control Unit
Light weight military specification

Ultra-light Weight Fuel & Oil Tank System

Specialised Muffler
Minimises noise and temperature signatures



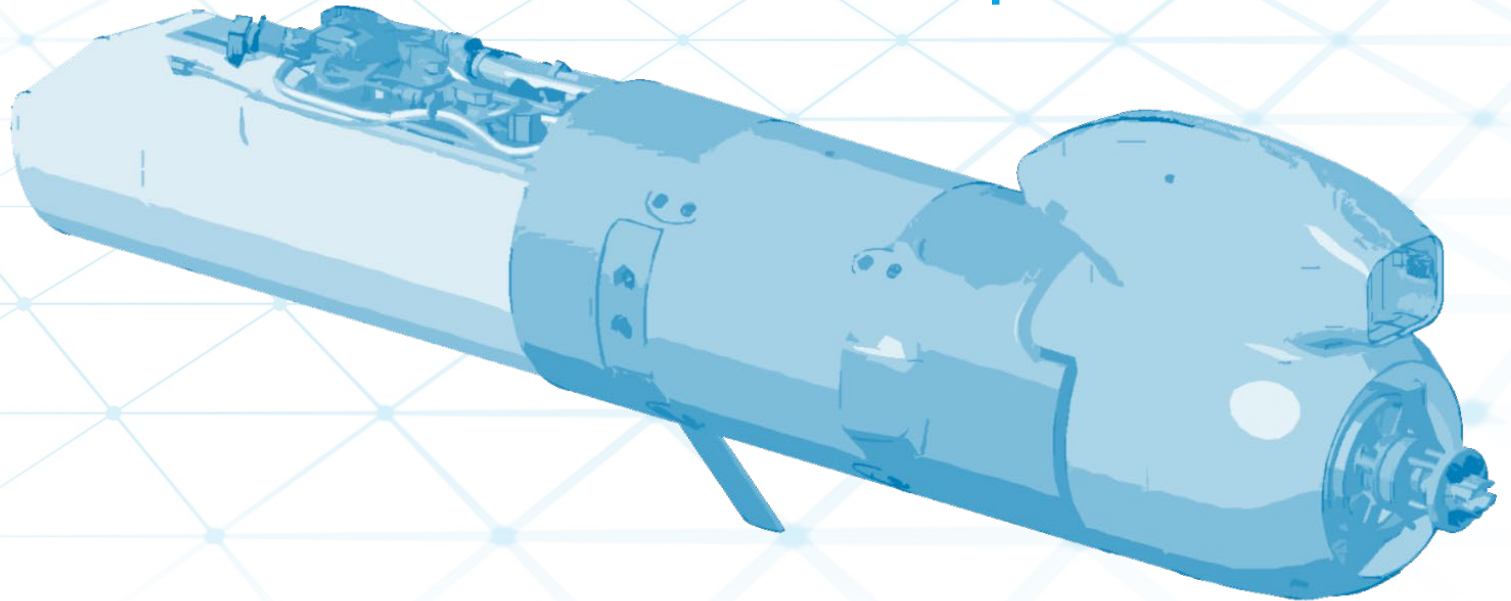
Evolution of the propulsion system



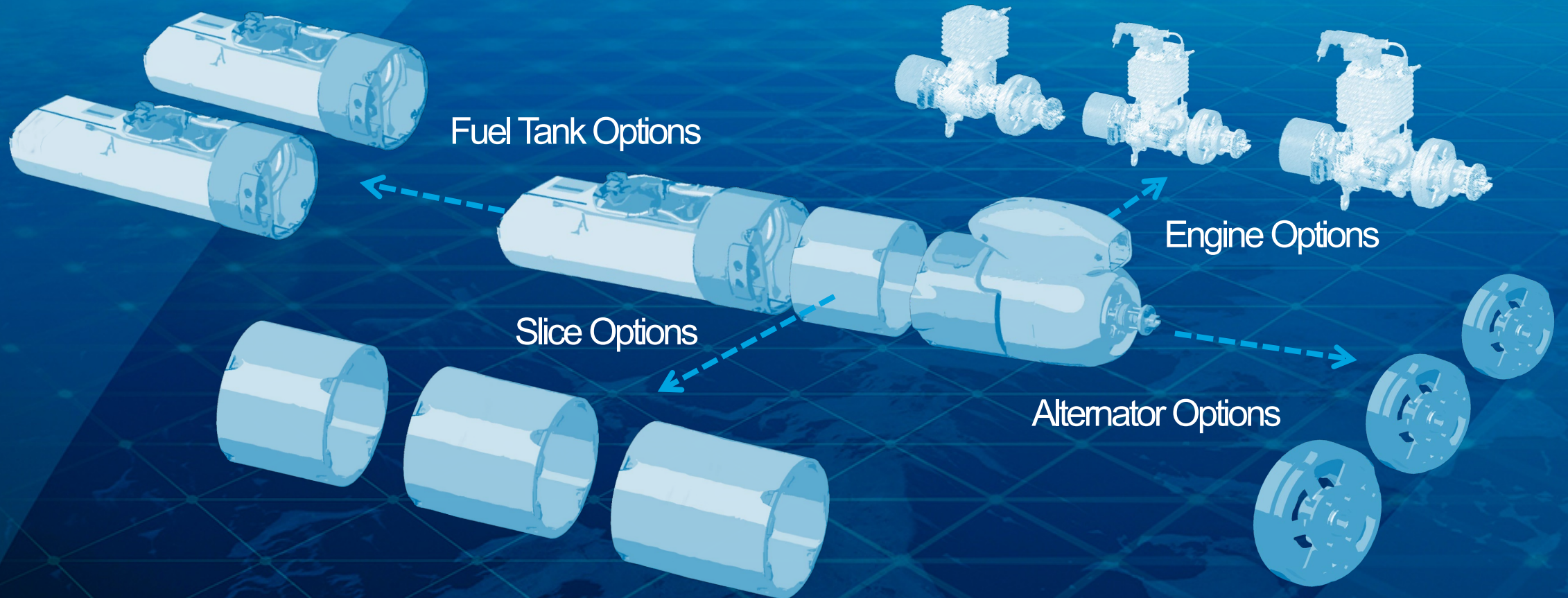
Existing propulsion system



Optimised for the
Modular Propulsion Solution*




Introducing the revolutionary Modular Propulsion Solution*



Strong existing relationships



ORBITAL UAV has existing relationships with the largest players in the tactical UAV market

 <p>INSITU Long Term Agreement (LTA)</p>	<p>2016 LTA 3 years A\$40-120M 1 engine : 1 platform</p>	<p>2018 LTA 5 years (from October 2018) A\$120-350M 5 engines : entire fleet</p>
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<p>TEXTRON Systems</p>	<p>Total sales to date ~A\$18M</p>
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Expanded Insitu LTA



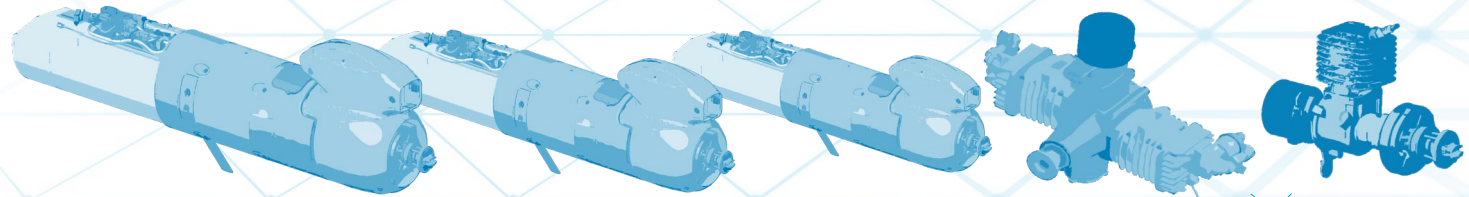
2017/18

LTA - 3 years
A\$40-120M



2018/19

LTA - 5 years (from October 2018)
A\$120-350M

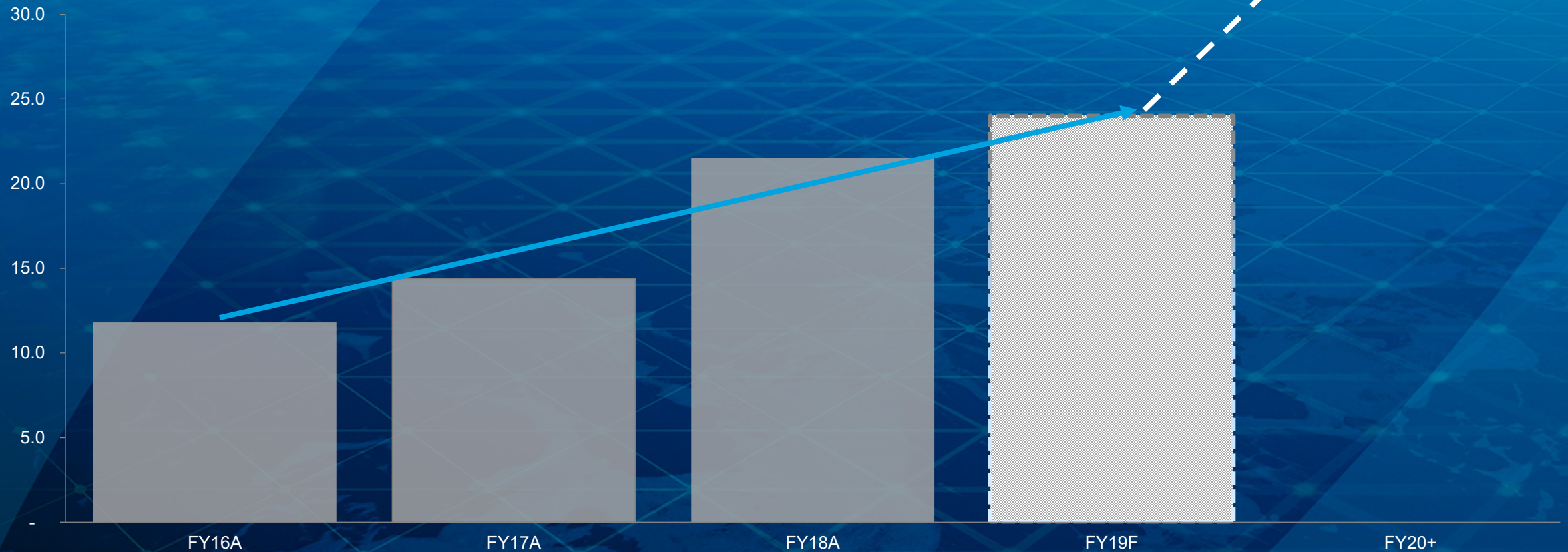


Illustrative purposes only*



*Due to design confidentiality.

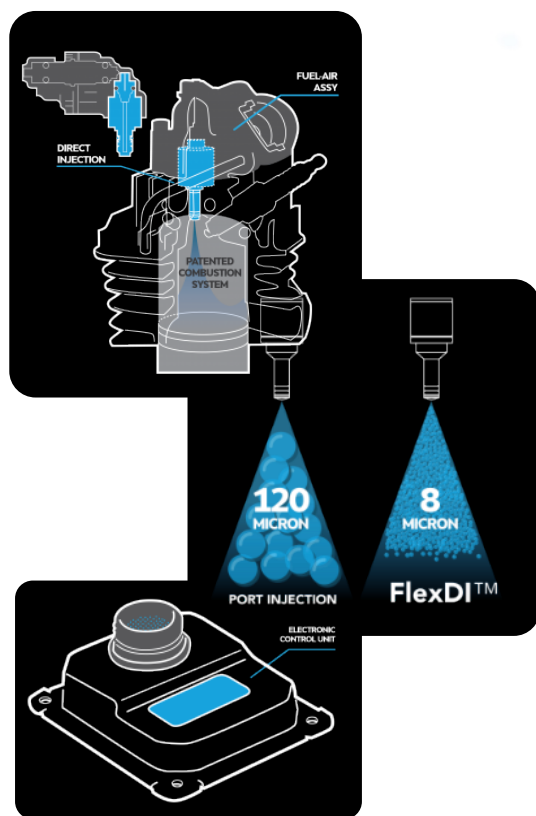
Revenue guidance FY19



Global experience and expertise



Heavy fuel 2 stroke IP and knowhow



Supplier relationships



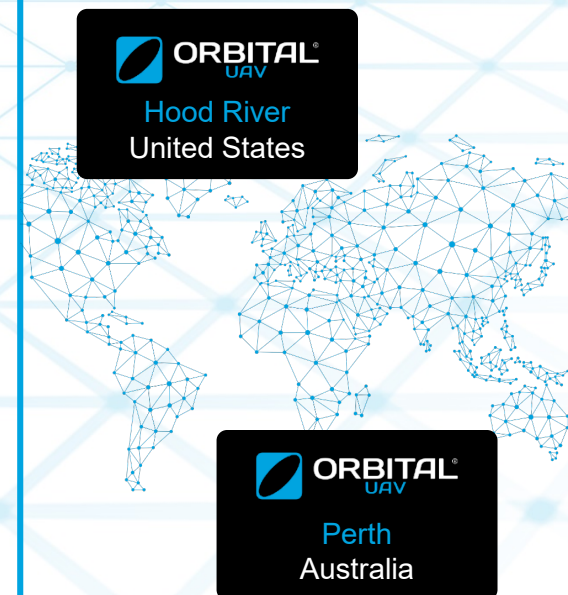
35 years
of experience developing innovative engine solutions

10 years
of experience as the global leader in spark ignited heavy fuel propulsion

Tier one customer experience



Dual Australia and U.S. facilities



Closing remarks



- **UAV strategy**, focused on capturing tier one customers in the \$14.6 billion tactical UAV market.
- **Mitigated revenue volatility** of one product / one platform business.
- Revolutionary **Modular Propulsion Solution** enables rapid deployment across multiple platforms.
- Demonstrable growth through significantly **expanded Long Term Agreement** with Insitu Inc.
- **Five engines in production** in 2019.
- FY19 **revenue guidance of A\$24 million** reflecting H1 development of Modular Propulsion Solution.

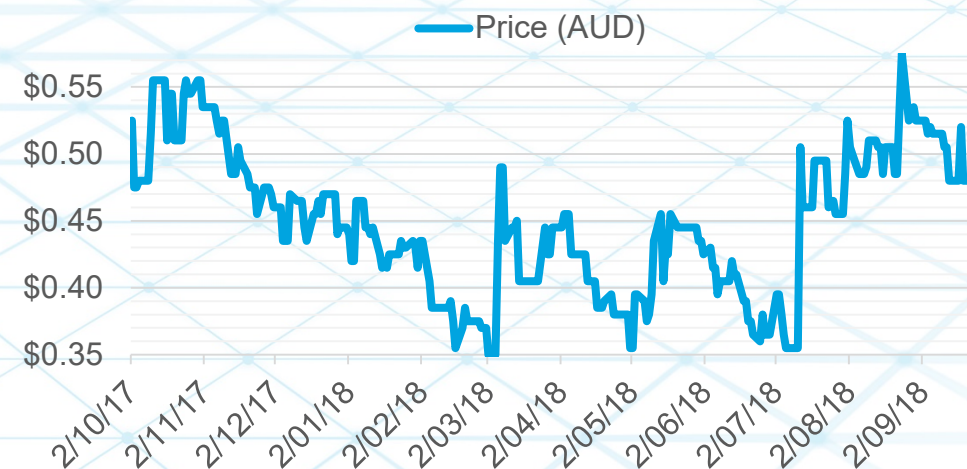
Corporate overview



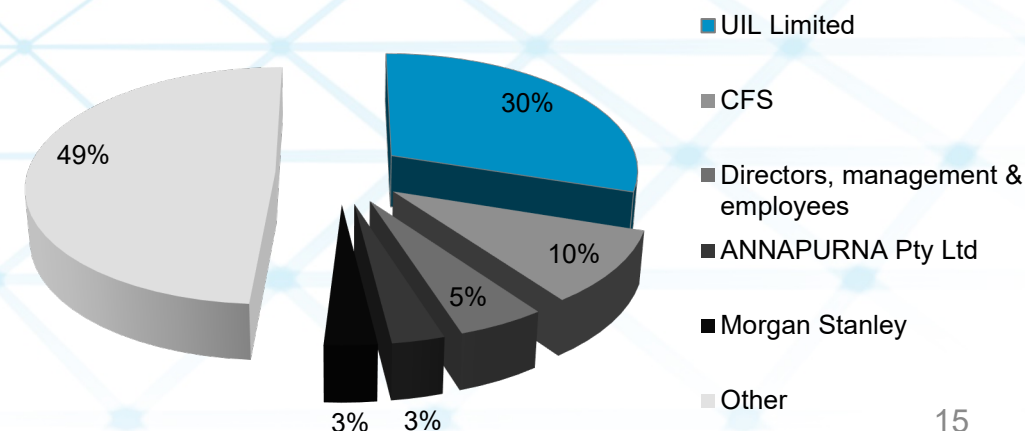
Capital Structure		
Share Price (30 Sep 18)	A\$	0.50
Fully Paid Ordinary Shares	M	77
Market Capitalisation	A\$m	39
Cash (30 Jun 18)	A\$m	11
Debt (30 Jun 18)	A\$m	8
Net Assets (30 Jun 18)	A\$m	22
Revenue Guidance FY19	A\$m	24

FY18 Results		FY18
Revenue	A\$m	21
EBIT	A\$m	2.7
NPAT	A\$m	2.2
Cash	A\$m	10.5
Cash & Receivables	A\$m	24.2
Debt	A\$m	7.8
Net Assets	A\$m	21.7

Share Price



Top Shareholders



Board of Directors and Management



Board of Directors



John Welborn

Chairman
Non-Executive Director



Todd Alder

Chief Executive Officer
and Managing Director



Steve Gallagher

Non-Executive Director



Terry Stinson

Non-Executive Director



Kyle Abbott

Non-Executive Director

Management



Todd Alder

Chief Executive Officer &
Managing Director



Roulè Jones

Chief Financial Officer
& Company Secretary



Dr Geoff Cathcart

VP Chief Technical Officer



John Tubb

General Manager APD



Martin Johnston

General Manager
Operations



Liezl Ulrich

Organisational
Development Manager

Superiority in UAV propulsion systems and flight critical components



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