



ASX ANNOUNCEMENT

20 November 2025

CEO ADDRESS AT THE 2025 ANNUAL GENERAL MEETING

PERTH, AUSTRALIA: Orbital Corporation Ltd ('Orbital UAV', 'the Company') advises that its 2025 Annual General Meeting ("AGM") is to be held today, Thursday 20 November 2025 at 10:00 AWST.

The presentation to be provided to shareholders at the AGM by the Company's CEO Mr Stephen Pearce is attached.

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About Orbital UAV

Orbital UAV provides integrated propulsion systems and flight critical components for tactical unmanned aerial vehicles (UAVs). Our design thinking and patented technology enable us to meet the long endurance and high reliability requirements of the UAV market. We have offices in Australia and the United States to serve our prestigious client base.

Forward-looking statements

This release includes forward-looking statements that involve risks and uncertainties. These forward-looking 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. The Company makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this release.

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Orbital Corporation Limited Business & Market Update **Stephen Pearce (CEO)**

2025 Strategic Re-cap:



- New revenue streams identified and being actively targeted
- A new higher capacity 350cc Heavy Fuel Engine (HFE) has been developed to meet emerging market demands for increased payload capacity
- A new highly experienced management team appointed
- Re-establishment of Business Development function in the US (based in Texas)
- Commenced development of a new proprietary Power Management System (PMS) to provide additional electrical power to other UAV on-board systems
- Working toward finalisation of the 150HFE, 75HFE and 50 HFE “Mission Ready” engines for commercial applications

Revenue streams:



Orbital has a focus across the following four sales channels:

1. The Orbital Partnership Program (previous sole focus)

Based on relationships with Tier 1 defense OEM's to deliver customised Integrated Propulsion Systems (IPS) fully integrated into their platforms.

2. The Orbital Mission Ready Engine program (new in 2025)

This channel is targeting expanded sales of standardised IPS (Commercial off-the-shelf, COTS) configurations to Tier 2 military and Tier 1 commercial UAV manufacturers at a lower price point via direct, distributor and online channels.

3. In Service Support (new in 2025)

Significant revenue potential opportunity (up to 2x initial sell price over the engine life):

- In service technical support
- Spare parts & consumables
- Establishing global "Centres of Excellence" for engine overhauls with regional partners

Revenue streams (cont...):



4. Power by the hour (new in 2025)

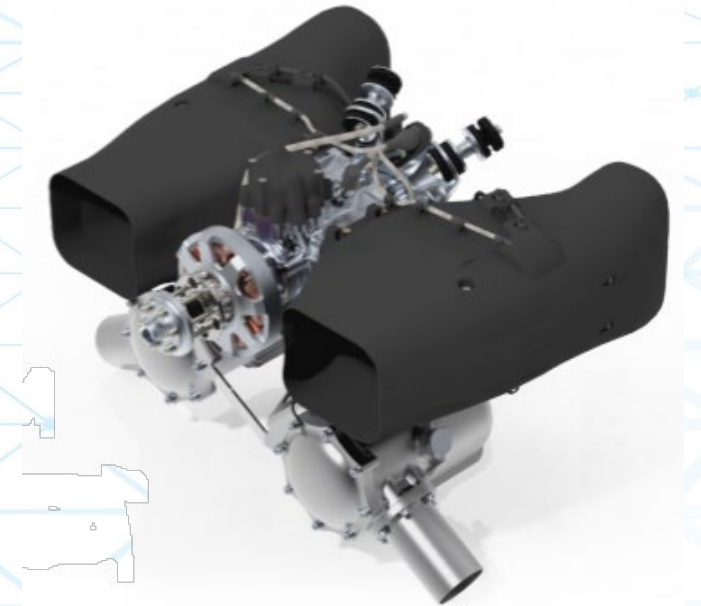
New revenue concept focused on commercial sector operators, whereby

- Engines are “rented or leased” to the customer – reduces their initial capital cost and will result in faster customer acquisition for Orbital (i.e. customer Opex instead of Capex)
- Significantly higher “life of engine” revenue for Orbital – as high as 3.6x the standard engine sell price over the first 3 years of operations
- With the addition of the new 350cc HFE engine, the Company is now positioned with a comprehensive range of 4 heavy fuel engines (50HFE, 75HFE, 150HFE, 350HFE) to support the full range of Group 2 & Group 3 UAV payloads up to 250kg take-off weight.
- Heavy fuel systems remain the priority for global defense industry and with the easing of BVLOS regulations in both the U.S. and Australia, heavy fuel will become a point of difference to enable commercial UAV flight operations to be conducted in compliance with global regulatory frameworks.

Orbital's new 350cc HFE:



- The 350cc HFE represents a new engine Development Program to meet the growing demand for increased payload requirements.
- Global demand for larger capacity engines continues to rise, driven by increased payload requirements, more complex mission profiles, in-flight battery charging capability, and regulatory changes - particularly those relating to long-range commercial flights with Beyond Visual Line of Sight (BVLOS) mission profiles.
- In the tactical UAV market between 20 kg and 250 kg weight category we are seeing strong growth driven by increased conflict on multiple fronts and the global increase in government-sponsored sovereign UAV capability which Orbital is well positioned to capture.



**350cc opposed boxer twin cylinder 2-stroke FlexDI™
Fully Integrated HFE Propulsion System for UAVs**

Orbital's new 350cc HFE (cont...):



- Following a substantial development and testing program over the past 12 months, the engine has exceeded performance expectations (both power output and fuel efficiency) with an initial delivery of 2 fully functional prototype engines completed in August 2025 to enable the commencement of UAV platform flight trials.
- This is a key enabler to a potential future partnership program on this platform expected to commence in early 2027.
- The Company has received strong interest for the 350cc HFE from both existing and new customers and will commence the manufacture of 10 “pre-production” engines during the next quarter to support the anticipated initial customer demand for integration and evaluation systems for both the defense and commercial segments.

US Market Update:



- The US Department of War (formerly Department of Defense) is overhauling its procurement process away from the traditional model of slow, bespoke, and over-specified systems toward one that prioritises speed to market, system modularity, and commercial off-the-shelf(COTS) solutions. This approach aligns with Orbital's strategy of leveraging COTS heavy-fuel architecture.
- This transition has resulted in some programs being paused until the new process is in place. The FTUAS framework has been superseded by a new U.S. Army Transformation Initiative (ATI Program) which targets a comprehensive modernisation and restructuring effort to reshape the Army for future warfare.
- The ATI Program includes a major objective to field modernised Unmanned Aerial Systems (UAS) across every Army division by the end of 2026.
- For Group 2 & 3 UAV's, the focus is on modular payloads that are adaptable for ISR (Intelligence, Surveillance, and Reconnaissance), electronic warfare, loitering, munitions and logistics operations.
- Orbital is working closely with our US prime partners to understand the timing of potential orders emerging from the ATI program and anticipates increased sales commencing Q3 FY2026.

US Market Update:



Other US activities currently underway include:

- The Textron Aerosonde HQ 4.8 which has been developed with Orbital as the sole engine supplier remains well positioned to participate in this ATI fleet modernisation program.
- An engineering development program is underway for a power upgrade to support the Textron Systems Aerosonde 4.7 UAV platform that utilises an Orbital designed 75cc HFE.
- The re-establishment of engineering & in-service support activities Boeing Insitu in relation to the Scan Eagle platform where 1,100 Orbital 50HFE engines were delivered between 2016 and 2024.
- Increased business development activities with potential new US clients off the back of the recent increase in formal enquiries following the appointment of Steven Osborne as our U.S. based Business Development Manager.

Other Global Markets:



Other global activities currently underway include:

- Supply of a further engine package to Dynamics in India to support the ongoing development of their Cheel UAV platform.
- Supply of an engine to Callen Lenz (a subsidiary of BAE Systems) in the UK for evaluation on an existing UAV platform currently in production (Orbital's first engine sale into the UK).
- A product enhancement program with DSO (Singapore Government) to incorporate remote start capability into the existing Veloce 60 UAV 150HFE systems delivered by Orbital.
- Working with several customers to finalise formal In-Service Support agreements to provide a third revenue stream into the future in line with the Company's previously announced strategy.

Operational Update:



Financial Summary

As set out in our Quarterly Report:

- Receipts from customers for the 3 months to 30 September were \$4.2 million (Q1 2024/25: \$2.6 million)
- Net cash generated from operations of \$0.7 million (Q1 2024/25: \$1.8 million outflow)
- R&D expenditure of \$0.7 million (Q1 2024/25: \$0.4 million)

During the period a capital raising of \$3.0 million (before costs) was completed at a price of \$0.21 per share which was a 12% premium to the VWAP of \$0.187 for the 12 months immediately preceding the placement.

The Q1 closing cash balance was \$3.7 million and the Company expects positive cashflow from operations in Q2 with the receipt of 2025 R&D Grant proceeds.

The Company also has an undrawn loan facility of \$2.0 million.

Operational Update:



Product Development Activities

In Q2 of the FY26 Financial Year, the Company will continue with the development of new product offerings, including:

- 350 HFE – further validation testing and production of the first 10 “Mission Ready” engines
- Continued development of a new proprietary Power Management System (PMS) to provide additional electrical power to other UAV on-board systems
- Finalisation of the 150HFE, 75HFE and 50 HFE “Mission Ready” engines for commercial applications
- Establishment of new working relationships with “Mission Ready” customers across the full range of engine packages



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