



ORBITAL CORPORATION LIMITED APPENDIX 4D

Company Details

Name of Entity:	Orbital Corporation Limited
ABN:	32 009 344 058
Reporting period:	Half Year ended 31 December 2025
Previous corresponding period:	Half Year ended 31 December 2024

Results for announcement to the market

				A\$'000
Revenue from continuing operations	Up	2%	to	4,892
Profit / (loss) for the year	Down	576%	to	(1,496)
Profit / (loss) after tax attributable to members	Down	576%	to	(1,496)

Net tangible assets per share

	31 Dec 2025	30 June 2025
Net tangible assets per share (cents)	1.81	0.79

Dividends

There is no proposal to pay dividends for the half year ended 31 December 2025



**Condensed Consolidated
Financial Statements**
for the Half-Year ended 31 December 2025

DIRECTORS' REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

Your Directors submit their report for the half-year ended 31 December 2025

DIRECTORS

The following persons were Directors of Orbital Corporation Limited ("Orbital UAV" or "the Company") and its controlled entities ("the Group") during the half-year ended 31 December 2025 and up to the date of this report, unless stated otherwise.

Name	Information on Directors
Kyle Abbott	Chairman (Non-executive)
Steve Gallagher	Non-Executive Director
Grant Lukey	Non-Executive Director
Andrew Mills	Executive Director

REVIEW AND RESULTS OF PRINCIPAL ACTIVITIES

The Company continues to position itself as a leader in Integrated Propulsion Systems (IPS) for the unmanned aerial vehicle (UAV) market. With a clear focus on the design, manufacture, and support of high-performance, reliable, partnership and mission-ready engine systems, the Company's strategy is centred on expanding its customer base, leveraging its proprietary technology, and maintaining strong alignment with both the evolving global defence industry and the emerging commercial market.

The Company's Heavy Fuel Engines (HFE) are designed for Group 2 & 3 Tactical UAV's, which are characterised by maximum take-off weights (MTOW) in the range of 20kg to 250kg and are typically employed in surveillance and logistics operations.

Financial Review

The Group's consolidated revenue for the half-year was \$4,892,000 (2024: \$4,806,000) with a loss before income tax from continuing operations of \$1,496,000 (2024: profit of \$314,000).

At 31 December 2025, cash, term deposits and receivables were \$4,585,000 (June 2025: \$3,314,000).

Operational Review

The Group's operational revenue for the half-year ended 31 December 2025 was \$4,861,000, comprising \$2,914,000 from the sale of engines systems and ongoing in-service support. Engineering services income of \$1,947,000 was generated from development programs across Orbital UAV's customer portfolio, relating to services supporting design transition, integration, verification and testing to progress engine systems to production readiness.

Orbital UAV continues to progress its internally funded engineering studies and pre-production prototyping activities for a larger engine platform and a range of ancillary equipment.

Capital Management

In August 2025, the Company completed an equity placement through the issue of new ordinary shares, raising \$3 million before costs. The funds raised continue to support new engine development programs and general working capital.

Orbital UAV remains debt-free with the \$2 million standby working capital loan facility established in 2025 with the Company's two largest shareholders also remains undrawn as at the date of this report.

Subsequent Events

On 13 January 2026 the Group entered into a financing arrangement with Radium Capital, receiving an advance of \$555,500 secured against its anticipated R&D tax incentive refund for the financial year ending 30 June 2026. The facility bears interest at 1.33% per month and is repayable upon receipt of the R&D refund from the Australian Taxation Office ("ATO"). The advance provides additional working capital to support ongoing R&D activities.

At the reporting date, no R&D rebate receivable was recognised. On 22 January 2026 a rebate of \$390,070 was received relating to the 2024 financial year and on 25 February 2026 a rebate of \$491,059 was received relating to the 2023 financial year.

Outlook

The Group is well positioned to progress with its capability expansion plans, specifically the development of larger engine platforms for additional power and payload delivery, as well as further hybrid and power management system developments.

DIRECTORS' REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

Significant changes in the state of affairs

For the half-year period, there have been no significant changes in the state of affairs of the Group that have not been otherwise disclosed in the condensed consolidated financial statements.

Lead auditor's independence declaration under section 307C of the Corporations Act 2001

The lead auditor's independence declaration is set out on page 3 and forms part of the Directors' Report for the half-year ended 31 December 2025.

Rounding

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Instrument, amounts in the half-year financial report and Directors' Report have been rounded off to the nearest thousand dollars unless otherwise indicated.

Signed in accordance with a resolution of the Directors.



Kyle Abbott
Chairman
Perth, 26 February 2026

To the Board of Directors of Orbital Corporation Limited

Auditor's Independence Declaration under section 307C of the *Corporations Act 2001*

As lead auditor for the review of the Condensed Consolidated Financial Statements of Orbital Corporation Limited for the half-year ended 31 December 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) any applicable code of professional conduct in relation to the review.

N.P.A.S.

Nexia Perth Audit Services Pty Ltd



Muranda Cornelius
Director

Perth, Western Australia
26 February 2026

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	Notes	2025 \$'000	2024 \$'000
Continuing operations			
Sale of goods		2,914	3,693
Engineering services income		1,947	1,070
Royalty and licence income		-	3
Interest income		31	40
Total revenue		4,892	4,806
Other income	6	2,227	4,332
Materials and consumables expenses		(2,332)	(2,320)
Write down of obsolete inventory		(31)	(4)
Employee benefits expenses		(3,604)	(3,903)
Depreciation expenses		(312)	(283)
Amortisation of intangibles	3	(442)	(325)
Engineering consumables and contractors expenses		(162)	(528)
Occupancy expenses		(341)	(453)
Travel and accommodation expenses		(171)	(41)
Communications and computing expenses		(305)	(328)
Patent expenses		(53)	(109)
Insurance expenses		(309)	(308)
Audit, compliance and listing expenses		(221)	(196)
Finance costs		(177)	(161)
Warranty expenses		3	185
Other expenses		(147)	(70)
Foreign exchange gains/(losses)		(11)	20
(Loss)/profit before income tax		(1,496)	314
Income tax expense		-	-
(Loss)/profit for the period		(1,496)	314
Other comprehensive income (loss)			
Items that will not be reclassified to profit or loss:			
Exchange differences on translation of foreign operations		5	(2)
Total comprehensive (loss)/profit for the period		(1,491)	312
Earnings per share			
Basic (loss)/profit for the period attributable to ordinary equity holders of the parent (cents)		(0.86)	0.21
Diluted (loss)/profit for the period attributable to ordinary equity holders of the parent (cents)		(0.86)	0.21

The accompanying notes form part of the condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

		31 Dec 2025	30 Jun 2025
ASSETS	Notes	\$'000	\$'000
Current assets			
Cash and cash equivalents		3,512	1,080
Other financial assets		465	465
Trade and other receivables		608	1,769
Inventories	2	993	2,709
Prepayments		465	213
Finance lease receivable		325	507
Total current assets		6,368	6,743
Non-current assets			
Intangibles	3	4,730	5,207
Plant and equipment		893	963
Inventories	2	2,756	2,113
Right-of-use asset		1,887	2,051
Finance lease receivable		19	141
Other receivables		338	202
Total non-current assets		10,623	10,677
Total assets		16,991	17,420
LIABILITIES			
Current liabilities			
Trade payables and other liabilities		1,153	1,837
Deferred revenue		791	1,397
Government grants		189	189
Lease liabilities		886	890
Provisions		2,107	2,187
Total current liabilities		5,126	6,500
Non-current liabilities			
Lease liabilities		1,623	2,095
Provisions		391	259
Total non-current liabilities		2,014	2,354
Total liabilities		7,140	8,854
Net assets		9,851	8,566
Equity			
Share capital	4	49,639	47,163
Options reserve	5	1,404	1,104
Reserves		2,603	2,598
Accumulated losses		(43,795)	(42,299)
Total equity		9,851	8,566

The accompanying notes form part of the condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	Share capital	(Accumulated losses)	Employee equity benefits reserve	Foreign currency translation reserve	Option Reserve	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 July 2025	47,163	(42,299)	2,652	(54)	1,104	8,566
Loss for the period	-	(1,496)	-	-	-	(1,496)
Foreign currency translation	-	-	-	5	-	5
Total comprehensive (loss)/profit for the period	-	(1,496)	-	5	-	(1,491)
Issue of ordinary shares, net of costs	2,476	-	-	-	-	2,476
Issue of share options	-	-	-	-	282	282
Share based payments	-	-	-	-	18	18
At 31 December 2025	49,639	(43,795)	2,652	(49)	1,404	9,851
At 1 July 2024	45,203	(38,002)	2,652	(56)	1,033	10,830
Profit for the period	-	314	-	-	-	314
Foreign currency translation	-	-	-	(2)	-	(2)
Total comprehensive profit/(loss) for the period	-	314	-	(2)	-	312
Issue of ordinary shares, net of costs	1,941	-	-	-	-	1,941
Share based payments	-	-	-	-	3	3
At 31 December 2024	47,144	(37,688)	2,652	(58)	1,036	13,086

The accompanying notes form part of the condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	2025	2024
	\$'000	\$'000
Cash flows from operating activities		
Cash receipts from customers	5,424	4,459
Cash paid to suppliers and employees	(7,467)	(7,369)
Cash receipts from Grants	2,112	-
Interest received	31	40
Interest paid	(92)	(31)
Net cash from / (used in) operating activities	8	(2,901)
Cash flows from investing activities		
Purchase of plant and equipment	(88)	(85)
Grant rebates received	1,183	-
Payments for intangible asset	(1,148)	(982)
Net cash used in investing activities	(53)	(1,067)
Cash flows from financing activities		
Proceeds from issues of shares and options	3,000	2,008
Share issue transaction costs	(242)	(67)
Principal elements of lease payments	(259)	(174)
Net cash from financing activities	2,499	1,767
Net increase/(decrease) in cash and cash equivalents	2,454	(2,201)
Cash and cash equivalents at 1 July	1,080	4,784
Effects of exchange rate fluctuations on the balances of cash held in foreign currencies	(22)	16
Cash and cash equivalents at 31 December	3,512	2,599

The accompanying notes form part of the condensed consolidated financial statements.

NOTES TO THE HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

1. MATERIAL ACCOUNTING POLICIES

(a) Reporting Entity

The condensed consolidated financial statements for the half-year ended 31 December 2025 of Orbital Corporation Limited ("the Company" or "the Parent") and its subsidiaries (collectively, "the Group") were authorised for issue by the Company's Directors on 19 February 2026.

The Company is a for-profit company limited by shares domiciled in Australia whose shares are publicly traded on the Australian Stock Exchange ("ASX"). The registered office of the Group is 4 Whipple Street, Balcatta, Western Australia.

The Group is principally engaged in revolutionary design, proven manufacturing processes and rigorous testing to deliver superiority in UAV propulsion systems and flight critical components. The Group drives its UAV-focused strategy from its dedicated production facilities in WA, Australia and Oregon, USA.

(b) Basis of preparation

This general purpose condensed consolidated financial report for the half-year ended 31 December 2025 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The half-year condensed consolidated financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the annual financial report.

It is recommended that the half-year financial report be read in conjunction with the annual report for the year ended 30 June 2025 and considered together with any public announcements made by the Company during the half-year ended 31 December 2025 in accordance with the continuous disclosure obligations of the ASX listing rules.

The half-year condensed consolidated financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the AASB.

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Instrument, amounts in the half-year condensed consolidated financial report and Directors' Report have been rounded off to the nearest thousand dollars unless otherwise indicated.

(c) New or amended Accounting Standards and Interpretations

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(d) Going concern assumption

The half-year condensed consolidated financial statements have been prepared on a going concern basis, which assumes the Company will continue its operations and be able to meet its obligations as and when they become due and payable. This assumption is based on Orbital's ability to meet its future cash flow requirements given the cash flow projection, and existing cash reserves held as at 31 December 2025.

For the half-year ended 31 December 2025, the Company recorded an after tax loss of \$1,496,000, and had operating cash inflows of \$8,000. As at 31 December 2025 the Group had net assets of \$9,851,000 and net current assets of \$1,242,000.

The Group also had cash outflows from investing activities of \$53,000 and cash inflows from financing activities of \$2,499,000 leading to net cash inflows for the half-year ended 31 December 2025 of \$2,454,000.

The going concern assumption is based on the Group's cash flow projections and existing cash reserves as at 31 December 2025 and covers a period of at least twelve months from the date of this report. The projections show that the continuing viability of the Group and its ability to continue as a going concern and meet its debts and commitments as they fall due is dependent upon a number of factors including:

- achieving forecasted operational performance and positive operating cash flows from the existing engine production and engineering programs;
- continued success in developing and commercialising new engines;
- reducing overheads through cost saving initiatives; and
- securing funding above and beyond the Group's existing committed facilities if required.

NOTES TO THE HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

1. MATERIAL ACCOUNTING POLICIES

As a result of these matters, there is a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore that the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors consider that the Group will be successful in the above matters and have therefore prepared the financial report on a going concern basis.

(e) Identification of reportable segments

Operating segments are identified based on internal reports reviewed by the executive management team (the chief operating decision makers) for the purpose of allocating resources and assessing performance. Segment performance is measured based on Revenue and Earnings Before Interest and Tax ("EBIT") with results attributed to segments according to the geographic location of the underlying operations.

As of the half-year ended 31 December 2025, the Company operates in and generates revenue from a single geographic location. As a result, reporting segmentation is no longer relevant. Accordingly, the Company has only one reportable operating segment, which is Australia.

2. INVENTORIES	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
Raw materials	4,695	5,134
Provision for obsolescence	(1,346)	(1,346)
Work in progress	392	1,034
Finished goods	8	-
	3,749	4,822
Current	993	2,709
Non Current	2,756	2,113
	3,749	4,822

Inventories are carried at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: weighted average cost
- Finished goods and work in progress: weighted average cost of direct materials and direct manufacturing labour and a proportion of manufacturing overhead costs

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

3. INTANGIBLES	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
Cost	11,326	10,178
Accumulated amortisation and impairment	(2,718)	(2,276)
Accumulated R&D tax offset recognised	(3,878)	(2,695)
Net carrying amount	4,730	5,207
Movement		
Net carrying amount at the beginning of the period	5,207	3,312
Additions	1,148	2,802
Amortisation for the period	(442)	(721)
R&D tax offset recognised during the period	(1,183)	(186)
Net carrying amount at the end of the period	4,730	5,207

The Intangible assets comprise of capitalised development costs for the advancement of the modular propulsion systems. The intangible assets will be amortised using the straight-line method over a finite period of 5 years.

NOTES TO THE HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

4. SHARE CAPITAL	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
Ordinary shares issued and fully paid	49,639	47,163
Movement in ordinary shares	Number	\$000's
At 1 January 2025	164,315,811	47,144
Employee share plan	463,906	41
Share issue transaction costs	-	(22)
At 30 June 2025	164,779,717	47,163
At 1 July 2025	164,779,717	47,163
Issue of ordinary shares	14,285,714	2,718
Share issue transaction costs	-	(242)
At 31 December 2025	179,065,431	49,639

5. OPTIONS RESERVE	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
Issued Options	1,404	1,104
Movement in options	Number	\$000's
At 1 January 2025	19,000,000	1,036
Issue of options	-	68
At 30 June 2025	19,000,000	1,104
At 1 July 2025	19,000,000	1,104
Issue of options	3,000,000	300
At 31 December 2025	22,000,000	1,404

As part of the new options issue during the half-year:

3,000,000 new Options were issued for nil cash consideration and were valued at \$281,917 using the Black Scholes method of calculation at acceptance date 28 August 2025. A volatility rate of 118.23% and a risk-free rate of 3.30% was used in the calculation. The options are exercisable at \$0.40 on or before the expiry date 31 December 2026.

A total of 1,500,000 options issued in the prior reporting period are exercisable as follows:

- 500,000 new Options were issued for nil cash consideration and were valued at \$52,500 using the Black Scholes method of calculation at acceptance date 11 December 2024. A volatility rate of 99.11% and a risk-free rate of 4.01% was used in the calculation. The options are exercisable at nil price on or before the expiry date that is 5 years after the date of issue.
- 500,000 new Options were issued for nil cash consideration and were valued at \$37,819 using the Black Scholes method of calculation at acceptance date of 11 December 2024. A volatility rate of 101.28% and a risk-free rate of 4.01% was used in the calculation. The options are exercisable at \$0.14 on or before the expiry date that is 5 years after the date of issue.
- 500,000 new Options were issued for nil cash consideration and were valued at \$50,000 using the Black Scholes method of calculation at acceptance date of 24 December 2024. A volatility rate of 101.51% and a risk-free rate of 4.01% was used in the calculation. The options are exercisable at nil price on or before the expiry date that is 5 years after the date of issue.

The fair value of the options is recognised over the vesting period. For the period ended 31 December 2025, a total of \$17,968 has been recognised in respect of the options issued.

A total of 17,500,000 options with an exercise price of \$0.35 expired on 7 February 2026. No options were exercised prior to expiry and, accordingly, all associated rights have lapsed.

NOTES TO THE HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

6. OTHER INCOME	2025	2024
	\$'000	\$'000
Grant income	-	2,486
R&D grant income	2,112	1,710
Rental income	115	126
Other income	-	10
	2,227	4,332

Research and development grant

During the period ending 31 December 2025, the Group received \$3,294,000 Research and development grant offset, of which \$1,183,000 was related to assets and \$2,112,000 was related to expense items.

In accordance with research and development tax legislation the Group is entitled to a refundable R&D tax offset accounted for as research and development grant. Government grants are recognised when it is probable that the grant will be received and all attached conditions will be complied with. When the grant relates to an asset, it is recognised as a reduction in the related asset. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

7. CONTINGENT LIABILITIES

The Group has received notices in relation to penalties associated with filing requirements for its US entity Orbital Holdings USA, which has remained dormant, for the 2023 and 2024 periods. The group has engaged with the relevant authority, noting that provisions for relief are available under applicable US tax law. Based on current information, management has assessed that an outflow of economic benefits is not probable, and accordingly no provision has been recognised. The matter continues to be monitored and will be reassessed at financial year ending 30 June 2026.

8. SUBSEQUENT EVENTS

On 13 January 2026 the Group entered into a financing arrangement with Radium Capital, receiving an advance of \$555,500 secured against its anticipated R&D tax incentive refund for the financial year ending 30 June 2026. The facility bears interest at 1.33% per month and is repayable upon receipt of the R&D refund from the Australian Taxation Office ("ATO"). The advance provides additional working capital to support ongoing R&D activities.

At the reporting date, no R&D rebate receivable was recognised. On 22 January 2026 an R&D rebate of \$390,070 was received relating to the 2024 financial year and on 25 February 2026 an R&D rebate of \$491,059 was received relating to the 2023 financial year.

Other than the above, there are no material subsequent events that require disclosure in the half-year condensed consolidated financial report.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Orbital Corporation Limited, I state that:

In the opinion of the Directors:

- (a) The condensed consolidated financial statements and notes of the Group are in accordance with the *Corporations Act 2001*, including:
 - (i) Giving a true and fair view of the financial position as at 31 December 2025 and the performance for the half-year ended on that date of the Group; and
 - (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- (b) There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

On behalf of the Board,



Kyle Abbott
Chairman

Perth, Western Australia
Dated: 26 February 2026

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Orbital Corporation Limited

Report on the Condensed Consolidated Financial Statements for the Half-year ended 31 December 2025

Conclusion

We have reviewed the accompanying Condensed Consolidated Financial Statements of Orbital Corporation Limited ("the Company") and its controlled entities ("the Group"), which comprises the Condensed Consolidated Statement of Financial Position as at 31 December 2025, the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income, Condensed Consolidated Statement of Changes in Equity and Condensed Consolidated Statement of Cash Flows for the half-year ended on that date, notes comprising material accounting policy information and other explanatory information, and the Directors' Declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Condensed Consolidated Financial Statements of Orbital Corporation Limited does not comply with the *Corporations Act 2001* including:

- i) giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- iii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* ("ASRE 2410"). Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Condensed Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Group, would be in the same terms if given to the directors as at the time of this auditor's review report.

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ACN 145 447 105

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Material Uncertainty Related to Going Concern

We draw attention to Note 1(d) in the Condensed Consolidated Financial Statements, which indicates that the Group recorded an after tax loss of \$1,496,000 (December 2024: after tax profit of \$314,000) and operating cash inflows of \$8,000 (December 2024: outflows \$2,901,000). As at 31 December 2025, the Group had net assets of \$9,851,000 (June 2025: \$8,566,000) and net current assets of \$1,242,000 (June 2025: \$243,000). The Group also had cash outflows from investing activities of \$53,000 (December 2024: \$1,067,000) and cash inflows from financing activities of \$2,499,000 (December 2024: \$1,767,000). As stated in Note 1(d), these events or conditions, along with other matters set forth in Note 1(d), indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibility of the Directors for the Condensed Consolidated Financial Statements

The directors of the Group are responsible for the preparation of the Condensed Consolidated Financial Statements that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the Condensed Consolidated Financial Statements that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Condensed Consolidated Financial Statements

Our responsibility is to express a conclusion on the Condensed Consolidated Financial Statements based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Condensed Consolidated Financial Statements are not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a Condensed Consolidated Financial Statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

N.P.A.S.

Nexia Perth Audit Services Pty Ltd



Muranda Cornelius
Director

Perth, Western Australia
26 February 2026

CORPORATE INFORMATION

ABN 32 009 344 058

REGISTERED AND PRINCIPAL OFFICE

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Australia

CONTACT DETAILS

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USA

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DIRECTORS

F.K. Abbott, Chairman
S.B. Gallagher
G.C. Lukey
A.G. Mills

COMPANY SECRETARY

M.C. Wege

SHARE REGISTRY

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SHARE TRADING FACILITIES

Australian Stock Exchange Limited (Code "OEC")

AUDITORS

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