

ASX ANNOUNCEMENT

27 August 2024

ORBITAL UAV to integrate 150cc heavy fuel engine into new military platform

PERTH, AUSTRALIA: Orbital Corporation Ltd ('Orbital UAV', 'the Company') is pleased to announce the establishment of a new collaborative agreement with Dynamatic Technology Limited ('Dynamatic Technology') to integrate an Orbital 150cc Heavy Fuel Engine (HFE) into a Dynamatic Technology designed UAV for potential supply to defence force users.

Dynamatic Technology is an Indian based manufacturer of highly engineered, mission critical products for the Aerospace, Automotive and Hydraulic industries. The collaborative agreement has been outlined in a Memorandum of Understanding ('MoU') which has led to the formalisation of an initial order for test engines by November 2024.

Market leading capability

Orbital UAV is delighted to announce this new partnership with Dynamatic Technology, an innovative company focused on market leading development that aligns with the Company's ambitions. The MoU represents an opportunity to integrate Orbital UAV's superior heavy fuel engine capability with Dynamatic Technology's UAV platform and provides a critical first step toward a long-term partnership in a developing region of the world.

World leader in heavy fuel

Orbital UAV's established superiority in heavy fuel engine development and proven track record of supplying market leading technology for military is a differentiator from other providers in the space. The MoU creates an opportunity for the integrating of Orbital UAV's 150cc HFE into the Dynamatic Technology UAV program.

MoU Terms

Purpose of the MoU	<ul style="list-style-type: none">To demonstrate Orbital UAV's heavy fuel engine capability and to facilitate the integration of Orbital UAV 150cc HFE into Dynamatic Technology's designed UAV platform.
Key responsibilities / obligations of Orbital UAV and Dynamatic Technology ('the Parties') under the MoU	<ul style="list-style-type: none">To prepare a prototype 150cc HFE for testing.To collaborate and define integration effectiveness for scope definition into a potential contract.To frame out technical requirements, maintenance plans and in-service support terms.

Costs and funding	<ul style="list-style-type: none"> • Each Party will bear its own costs under the MoU. • The MoU does not create any other financial or funding obligations on either Party at this stage.
Intellectual Property	<ul style="list-style-type: none"> • All intellectual property held by either Party prior to entering into the MoU or disclosed or introduced in connection with this MoU and all materials in which such intellectual property is held, disclosed or introduced shall remain the property of the Party introducing or disclosing it.
Material Terms	<ul style="list-style-type: none"> • The MoU is effective April 2024. • The MoU shall remain valid until terminated by either Party by giving at least one weeks written notice, with or without cause and without any liability to the other Party. • There are no current performance-based terms under the MoU. • Termination of the MOU shall not affect the validity of any Purchase Order(s) and/or Contract(s) already implemented, or the work commenced thereunder, before the termination of the MOU.
Economic Impacts	<ul style="list-style-type: none"> • The MoU does not constitute a production order in itself and does not have an impact on Orbital UAV's revenues. • The initial order for prototype engines received in August 2024 will constitute \$0.2m in revenues upon successful delivery of units in November 2024

-ENDS-

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About Dynamics Technology Limited

Dynamics Technology Limited ('DT') designs and builds highly engineered products for Automotive, Aeronautic, Hydraulic and Security applications. With futuristic design, engineering and manufacturing facilities in Europe and India, DT is able to meet customers' exacting requirements on 6 continents. DT's facilities which are located in India (Bangalore, Chennai, Coimbatore, Nasik), United Kingdom (Swindon, Bristol) and Germany (Schwarzenberg), are lean, green and clean, and designed to support neighbouring communities as well as the environment. With three design laboratories in India and Europe, DT is a leading R&D Organisation, with numerous inventions and patents to its credit. DT employ's around 50 scientists and 500 engineers with expertise in Mechanical Engineering, Advanced Computer Aided Engineering, Materials & Metallurgical Engineering, Fluid Dynamics and Defence & Aerospace Research. DT is vertically integrated, with its own alloy-making and casting capabilities as well as its own captive green energy sources.

About Orbital UAV

Orbital UAV provides integrated propulsion systems and flight critical components for tactical uncrewed 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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