ASX ANNOUNCEMENT

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ORBITAL UAV SECURES NEW ENGINE ORDER AS PART OF INDIAN UAV DEVELOPMENT PROGRAM

PERTH, AUSTRALIA: Orbital Corporation Ltd ACN 009 344 058 (**"Orbital UAV" or "Company"**) is pleased to announce that it has received an order for a 350HFE propulsion system from Dynamatic Technologies Limited ("Dynamatic") for its new Super Cheel UAV development program.

Orbital has been working for the last 2 years as a strategic partner to Dynamatic and its unmanned systems division Dynauton Systems to support the development of the Cheel tactical UAV program in India.

Orbital will now supply Dynamatic with two products from its range of heavy-fuel two-stroke propulsion systems to power the Cheel (150HFE) and Super Cheel (350HFE) UAVs.

Designed for advanced reconnaissance, the 5-metre wingspan Cheel platform is engineered to operate in extreme environments, including temperatures as low as -20degrees Celsius and altitudes up to 5,000m AMSL. The Orbital powered Cheel UAV is currently undergoing flight testing with the Indian Defence Forces.

A larger variant, known as Super-Cheel, is now in development. This model will utilise Orbital's 350HFE and is designed to cater to more demanding mission requirements, such as the Indian Navy's need for a Long-Range Surveillance & Targeting Drone (LR-STD) under the iDEX program.

The Cheel program represents an advanced tactical UAV capability designed for long endurance, intelligence, surveillance, reconnaissance, and communications support in contested environments and is a significant milestone in India's UAV industry development.

Dynamatic is seeking to be successful in tenders that have been initiated to support several Indian military acquisitions over the next twelve months. The timing and quantum of production volumes and revenues relating to this strategic partnership are ultimately dependent on the adoption of the Cheel platform by the Indian Defence Forces.

Orbital's role as a propulsion supplier positions the Company as a key international contributor within an otherwise domestically focused supply chain, supporting platform endurance, fuel standardisation with military logistics and lifecycle sustainment outcomes.

Dynamatic Technologies Limited is a global engineering and manufacturing company with established aerospace capabilities, supplying aerostructures and flight-critical assemblies to global OEMs including Airbus, Boeing, Bell Helicopter, Deutsche Aircraft, Dassault Aviation and HAL. For the year ended 31 March 2025, Dynamatic reported consolidated revenue from operations of INR 14,038 million (AUD 216 million).

Comment from the CEO

Stephen Pearce, Chief Executive Officer of Orbital UAV, said:

"Our ongoing development partnership aligns Orbital with a well-established and very credentialled Indian aerospace and defence manufacturer, providing exposure to a large and growing unmanned systems market, while leveraging Orbital's proprietary propulsion technology as a critical subsystem within the platform.

This engagement reinforces Orbital's strategy of embedding its technology within scalable UAV programs globally and is expected to deliver future revenue opportunities through production, spares, and ongoing support as the Cheel platform progresses toward operational deployment".

Re-cap of Recent Activity

Last week the Company announced a Long-Term Distribution Agreement ("LTA") for the UAE market, whereby Orbital has secured a 5-year partnership to supply its 50HFE propulsion systems into the UAE (refer to the OEC ASX Announcement dated 7 April 2026). The first engine deliveries are anticipated in August 2026.

Beyond the initial order that has been received for USD 1.1 million, the timing and quantum of future production volumes and revenues relating to this LTA cannot reasonably be forecast at this time.

As previously announced as announced on 23 March 2026, Orbital has secured an initial order from Freespace Operations, a sovereign Australian OEM of heavy-lift multirotor drone systems, for a 150HFE heavy fuel engine.

The engine will be integrated as a hybrid range extender for Callisto Heavy Lift Drone platforms currently undergoing maritime logistics trials with the Royal Australian Navy, including ship-to-ship and ship-to-shore / shore-to-ship transport operations.

Based on preliminary integration expectations, the addition of the 150HFE is expected to extend operational endurance from approximately 40 minutes (battery-powered) to beyond 3 hours.

This application represents an expansion of Orbital's propulsion technology into heavy-lift multirotor platforms, an emerging segment within both defence and commercial sector logistics and autonomous resupply operations.

Delivery of this engine is scheduled for delivery in May 2026.

At the same time Orbital announced that it recently entered into a Memorandum of Understanding ("MoU") with Bertel O. Steen Defence & Security AS ("BOS DS") in relation to the anticipated NATO Support and Procurement Agency (NSPA) tender for the Textron Systems HQ 4.8 Tactical Unmanned Aerial Vehicle ("TUAS") program, expected to be tendered in mid-2026.

BOS DS is a Norwegian-based defence and security company that operates as a local representative, advisor, distributor, and system integrator in the Nordic region and assists international defence manufacturers win, deliver, and support military and security programs in Norway and the wider Nordic region.

The MoU establishes the framework for bid preparation and program support activities. There is no certainty that the collaboration will result in a contract award.

Consistent with Orbital's strategic objectives, the Company now has customers in North America, Europe, India, Southeast Asia, the Middle East and Australia. Development of new business opportunities in both the Defence and Commercial sectors is on-going.

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