



ASX Announcement

14 May 2026

Hydrix signs binding contract with the NIOA Group to advance Australian counter-UAS Defence capability

- **Initial contract value \$1,000,000 to \$1,200,000:** the program will ramp up in May 2026 to meet a December demonstration milestone followed by design optimisation to conclude March quarter 2027
- **NIOA Group** is a privately owned global munitions and energetics manufacturing company founded in 1973, with operations across four countries and a distribution **network spanning 75 US State Department-approved countries**
- **Counter-UAS is an explicit ADF priority:** the 2026 National Defence Strategy and A\$425B Integrated Investment Program commit up to A\$7B specifically to counter-drone capability
- **Competitive selection:** following a competitive tender process, Hydrix was chosen due to its mission-critical embedded electronics, software engineering and systems integration capability
- **One of several active UAS/counter-UAS projects** Hydrix currently has underway, demonstrating a growing Defence technology pipeline and capability relevance

Hydrix Limited (Hydrix) (ASX: **HYD**) advises it has signed a binding contract with the **NIOA Group** to support the design, development and integration of NIOA's telemetry capable Inert Proximity Fuze and Kinetic Effector payload package for small Uncrewed Aerial Systems (sUAS).

The engagement combines NIOA's expertise in munitions design and energetics manufacturing with Hydrix's capabilities in mission critical embedded electronics, software engineering and systems integration for counter-drone Defence technologies.

The development of this payload subsystem targeted to UAS applications supports the advancement of deployable, innovative asymmetric counter-drone capability. Counter-drone capability is an Australian Defence Force (ADF) priority and backed by \$7B in Australian government investment initiatives.

The global counter-UAS market is growing at ~25% CAGR; forecast to reach USD \$20.3B by 2030

The counter-UAS market is one of the fastest-growing segments in global defence valued at USD \$6.6 billion in 2025 and forecast to reach USD \$20.3 billion by 2030 at a CAGR of ~25% (Markets and Markets, 2025).

The war conflicts in the Ukraine and the Middle East demonstrate how small uncrewed aerial systems (sUAS) are being deployed tactically and strategically in conflicted zone environments. The development of counter-drone solutions such as kinetic effector payloads that NIOA and Hydrix are developing, are essential to sovereign defence capabilities, including Australia's ADF, to deter these increasing threats posed.

Australia is responding as evidenced in its 2026 National Defence Strategy with the recently announced A\$425B Integrated Investment Program to commit up to A\$7B specifically to counter-drone capability.



Hydrix's selection following a competitive process reflects the growing relevance of the company's mission-critical engineering capabilities within Australia's Defence technology ecosystem. This is one of several current Hydrix projects involving advanced electronic technologies for UAS and counter-UAS systems.

Hydrix CEO, Gavin Coote, said:

"NIOA's selection of Hydrix further expands our strategic relevance in Australia's sovereign Defence technologies capability. The NIOA project builds on our experience in the design, development and integration of critical sub-systems in counter-UAS applications."

NIOA Australia-New Zealand CEO, Ben James said:

"NIOA is delighted to partner with Hydrix to bring our collective experience, capacity and industry knowledge on electronic fuzing and warhead technologies to bear in order to provide the men and women of the ADF with sovereign, battle-ready counter UAS capabilities."

"The onboarding of Australian SME partners to support development of critical technologies is an important step towards establishment of sovereign capabilities to accelerate our asymmetric deterrence."

Hydrix Services Director of Engineering and Product Delivery, Andrew Beal, said:

"This engagement demonstrates that Hydrix's deep technical engineering expertise is highly relevant to mission critical systems supporting Australia's sovereign Defence capability."

"We are working with Defence clients to deliver complex electronic and embedded systems that meet the performance, reliability and integration requirements for real-world capability deployment."

Ends ----

This announcement is authorised for release by the Board of Directors of Hydrix Limited.

For more information, please contact:

Hydrix Enquiries: Gavin Coote - Executive Chairman
info@hydrixltd.com
+61 3 9550 8100

Media Enquiries: Rod North - Managing Director, Bourse Communications
rod@boursecommunications.com.au
+61 3 9510 8309

Investor Enquiries: Niv Dagan - Executive Director, Peak Asset Management
niv.dagan@peakassetmanagement.com.au
1300 304 460



About Hydrix Limited

Hydrix Limited's (ASX: HYD) mission is to harness the full potential of its innovation capability to deliver high impact technologies that empowers and protects lives.

Hydrix leverages its powerful product innovation capability across three business segments: **Services**: design, engineer and deliver world first products and innovation across medtech and defence sectors; **Ventures**: invest in high potential medtech and defence clients; and **Medical**: distribute disruptive cardiovascular products. www.hydrixltd.com.

Hydrix Services is a wholly owned subsidiary of Hydrix Limited. www.hydrix.com.

About NIOA Group

Established in 1973, NIOA Group is a global firearms, weapons and munitions company with operations in Australia, New Zealand, the USA and United Kingdom with a distribution network covering 75 US State Department approved countries. www.nioa.com.au

The NIOA Group includes NIOA Australia, NIOA New Zealand, the Australian Missile Corporation, NIOA Inc [USA], Barrett Firearms [USA], NIOA UK and joint venture company Rheinmetall NIOA Munitions.

The company is a joint venture partner with Rheinmetall of Germany in the Rheinmetall NIOA Munitions 155mm artillery forging facility in Maryborough, Queensland, delivering key munitions for allied nations.