ASX Release

4 September 2026

FirstWave Files Patent Application for AI Network Monitoring Breakthrough

Key highlights:

- Breakthrough achieved through the previously announced (ASX 5 February 2026) Australian government-backed AI collaboration with the University of the Sunshine Coast (UniSC) and CSIRO.
- The technology uses a multi-agent AI system, orchestrated by large language models, that reasons over network context to deliver automated, explainable root cause diagnosis, addressing the false-positive and explainability limits of existing monitoring tools.
- Network engineers work with the AI through a conversational interface to direct the investigation and approve the fix, and every approved fix is captured as operational knowledge, building toward self-healing networks.
- FirstWave is the sole owner of the invention and the sole applicant for the patent.
- The filing is a strategic decision to augment FirstWave's strongest revenue line through AI, with network monitoring revenue growing 34% to A$6.9M in FY26 (ASX 31 August 2026).
- The technology is already a commercial product which FirstWave is preparing to launch, either as new features to be upsold or as a stand-alone module.
- The technology extends FirstWave's NMIS, opEvents and opCharts products and addresses problems that key clients, including John Deere and Telmex, are focused on.
- The system runs on the device history and telemetry NMIS already collects, as such it works immediately with customers' existing data and new customers are able to leverage FirstWave's existing technology to easily collect and manage the vast amounts of data that is required for the AI to deliver the results.

FirstWave Cloud Technology Limited (ASX: FCT) (FirstWave or the Company) is pleased to announce it has filed a provisional patent application with IP Australia for an AI-driven network monitoring and fault diagnosis system that detects network faults and automatically investigates their root cause.

The application, titled Network Monitoring and Fault Diagnosis System, was filed on 3 September 2026 and carries provisional patent application number 2026907532 with FirstWave the sole applicant and owner of the invention.

Strategic Rationale: Growing FirstWave's strongest revenue line through AI

The filing represents a strategic decision to grow FirstWave's strongest revenue line through AI. Network monitoring revenue grew 34% to A$6,932,196 in FY26 (ASX 31 August 2026).

This technology is designed to extend that momentum and is already a commercial product which FirstWave is preparing to launch either as a set of new features to be upsold or a stand-alone new module.

Key clients including John Deere and Telmex have asked FirstWave for this capability.

The new product extends FirstWave's network management portfolio, including NMIS, opEvents and opCharts, and is built directly into the NMIS suite. The technology gives FirstWave a significant advantage over standalone AI offerings as the system draws on device history and telemetry that the Company's products are already collecting and is delivered through software FirstWave already licenses to its clients.

Market Context: Targeting One of the Fastest Growing Segments in the Network Management Sector

- Secure organisations (e.g. banks, defence, government and telcos) will not send sensitive data relating to their IT infrastructure to a cloud and as a result need to run their network management systems on their own servers. On-premise systems made up around 53% of the network management market in 2025[1] and cloud-delivered AI cannot reach them.

- FirstWave is one of few companies serving this market with multi-agent AI fault diagnosis, and is on a pathway to self-healing capability with its software installed on premise collecting the data AI needs.

- The global network management systems market was valued at US$12.3 billion in 2025 and is forecast to reach US$27.1 billion by 2033, a compound annual growth rate of 10.45%[2].

- Within network management, self-healing networks are forecast to grow from US$960 million in 2024 to US$5.1 billion by 2030, a compound annual growth rate of 33.2%, with root cause analysis the fastest growing application at 34%[3].

- Unplanned downtime now costs Global 2000 companies an estimated US$600 billion a year, an average of US$15,000 a minute, yet only 38% of technology executives report consistently identifying the root cause of an incident[4].

Technology overview

FirstWave developed this technology to solve one of the biggest challenges in network operations, which is finding the root cause of a problem or potential problem fast enough to prevent or reduce the impact of an outage.

Manually investigating issues requires human engineers, leaving businesses absorbing the cost of downtime while the root cause and resolution are determined. FirstWave's technology closes that gap with a multi-agent AI architecture, orchestrated by large language models. Rather than a single model making a single guess, specialised AI agents reason over network context, apply operational knowledge and coordinate with each other the way a team of engineers would, rapidly testing and ruling out explanations until they reach a verified, explainable diagnosis and potentially automated fault resolution and automated restoration of services.

It is a step toward self-healing networks, where faults are not just detected but understood and resolved with minimal human intervention.

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[1] Data Bridge Market Research, Global Network Management Systems Market – Industry Overview and Forecast to 2033, 2026.

[2] Data Bridge Market Research, Global Network Management Systems Market – Industry Overview and Forecast to 2033, 2026.

[3] Grand View Research, Self-Healing Networks Market Size, Share & Trends Analysis Report, 2025–2030, published April 2025 (last updated July 2026).

[4] Splunk (a Cisco company) in partnership with Oxford Economics, The Hidden Costs of Downtime, May 2026.

The technology introduces AI-driven adaptive thresholds that learn the normal operating behaviour of each device, so that alerts are raised and automatically investigated when abnormal operational patterns occur, often flagging faults as they form and before they cause an outage.

Each diagnosis is delivered with the supporting telemetry, logs and diagnostic results, so engineers can be made aware of it immediately.

The engineer then works with the AI through a conversational interface, directing it to investigate further or request alternative solutions before approving the final fix. Every approved fix is captured as operational knowledge, building the experience base the system draws on for future faults.

The technology reduces outages, reduces human error, cuts repetitive tasks, cuts the engineering time spent on investigation and gives customers a level of operational certainty that is not possible through existing network management technologies.

Research collaboration

The invention arose from research undertaken by FirstWave with CSIRO and the University of the Sunshine Coast, previously announced and jointly funded by the three parties under CSIRO's Regional University Industry Collaboration (RUIC) program. The named inventors include technologists from both FirstWave and UniSC.

FirstWave holds the rights to the invention and is the sole applicant.

FirstWave's CEO Danny Maher said: "Network monitoring is our largest and fastest-growing revenue line and this patent is a deliberate decision to put AI at the centre of it. The core strength of our NMIS platform is its ability to collect, manage and present enormous amounts of data from a wide range of technologies. This data sits on premise within our software and as such we are in a prime position to apply AI technologies to make that data more valuable for our clients and therefore better monetise that data for FirstWave".

FirstWave's VP of Products Sharon Hunneybell said: "These are exciting times for our product and development teams. We're applying agentic AI to a problem network engineers have lived with since the invention of networks, turning huge volumes of telemetry into insight, and for the first time providing automated root cause analysis and remediation using artificial intelligence rather than humans working with traditional diagnostic tools. I'm grateful to the Queensland Government and CSIRO for their support through the Regional University Industry Collaboration program, and to the University of the Sunshine Coast for the collaboration on this project. It's a great example of research translating into a real, tangible outcome for industry and I'm extremely excited to get this technology into the hands of our existing and future clients and to showcase it to the world."

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Authorised for release by the Board of Directors

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About FirstWave

FirstWave is a global software company formed in 2004. The Company is a leading provider of enterprise-grade, AI powered network management, automation, audit and cybersecurity software, with over 150,000 organisations using FirstWave's software across 178 countries. Clients include Telmex, Telstra, Claro and NASA.

About the University of the Sunshine Coast

The University of the Sunshine Coast is a public Australian university with five campuses across South East Queensland. UniSC is ranked as Queensland's top university, and Australia's second, for overall student experience. The university has world-leading artificial intelligence research capabilities and a multi-million dollar AI and Cyber Security Lab. UniSC is a project partner alongside CSIRO on this initiative.

About CSIRO

CSIRO is Australia's national science agency, established as an Australian Government corporate entity under the Science and Industry Research Act 1949. It conducts scientific research to deliver solutions for a productive, sustainable and secure future. CSIRO supported this project through its Regional University Industry Collaboration (RUIC) program which aims to accelerate the commercialisation of new technology.