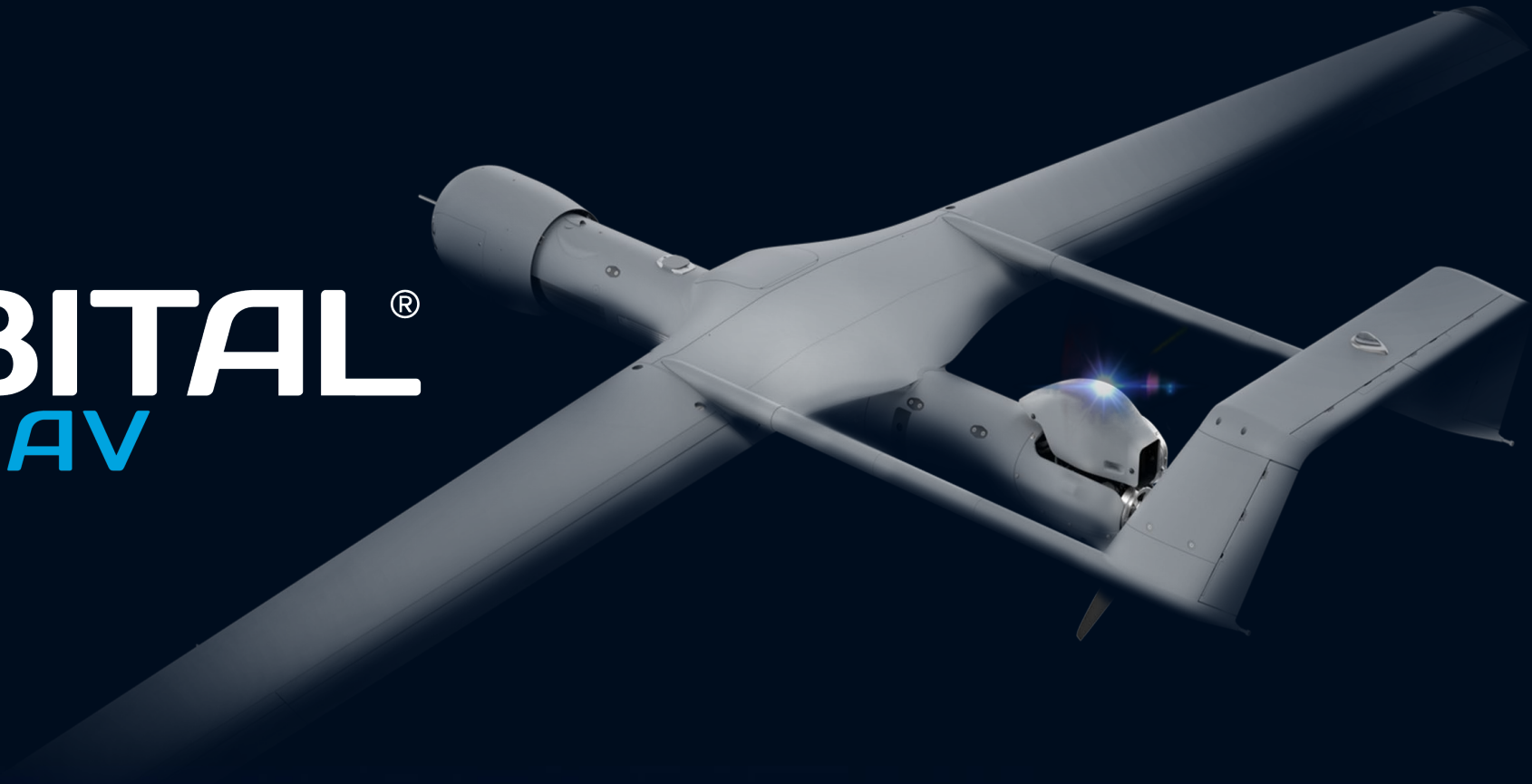




ORBITAL[®]
UAV



Investor Presentation

13 October 2020

Cautionary statement



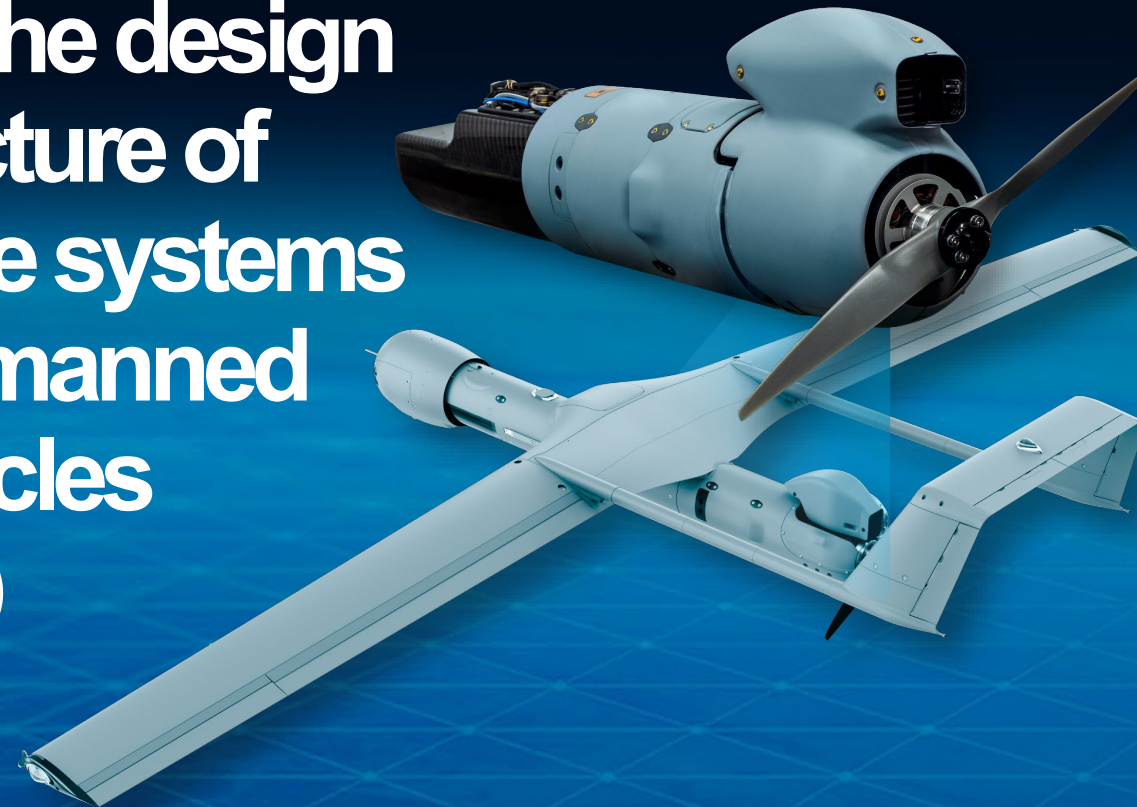
This presentation includes statements looking-forward that involve risks and uncertainties. These statements are based upon management's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside 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. Orbital UAV makes no undertaking to subsequently update or revise the forward-looking statements made in this presentation to reflect events or circumstances after the date of this release.

Todd Alder CEO & Managing Director

What we do



**World leader in the design
and manufacture of
integrated engine systems
for tactical unmanned
aerial vehicles
(UAVs)**



At a glance



FY20 revenue \$33.8M – Top end of revenue guidance

Primary engine supplier to Insitu Inc. (a Boeing Company)

Two of five engine models in production for Insitu,
third engine model in development

New engine development contracts with Northrop Grumman
and one of Singapore's largest defence companies

Maturing negotiations with additional Tier 1 defence companies

Targeted FY21 revenue guidance of \$40M - \$50M

What is a tactical UAV



Tactical UAVs are used by global defence forces for gathering intelligence, surveillance and reconnaissance

- Field operated by military units
- Carries state-of-the-art electronic payloads (e.g. day/night cameras)
- Worth \$3.5 - \$6 million per system*
- Wingspan up to 5 m
- Flies at up to 20,000 ft
- Maximum endurance of 24 hours



UAV defence market



Worldwide military UAV production
\$128 billion*

Worldwide tactical UAV production
\$21.7 billion*

USA DoD UAV production
\$2.6 billion in 2017*

UAV production by region*

\$ millions

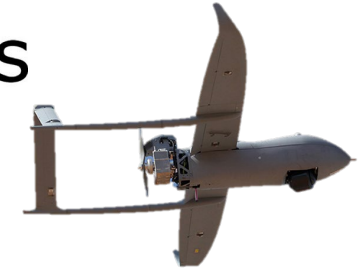


* UAS Market Outlook with Special Focus on Tactical Systems, Teal Group Corporation | For the years 2017-2026

Tactical UAV landscape



TEXTRON Systems



Tactical UAV
\$21.7Bn*



LOCKHEED MARTIN



L3HARRIS

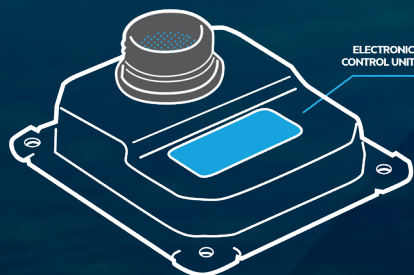


Our Tier 1 client base



TEXTRON Systems

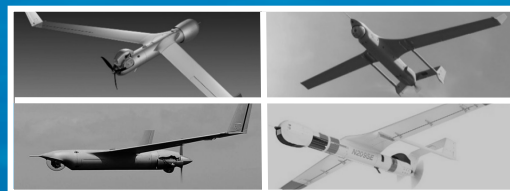
Supplying flight critical components since
2013



A Boeing Company

**Long Term Agreement
Signed in 2016
Expanded in 2018
Primary Supplier in 2020**

5 engine models
powering Insitu's entire fleet
of tactical UAVs



**SINGAPORE
DEFENCE
COMPANY**

March 2020

New engine design &
development contract with
one of Singapore's largest
defence companies

**NORTHROP
GRUMMAN**

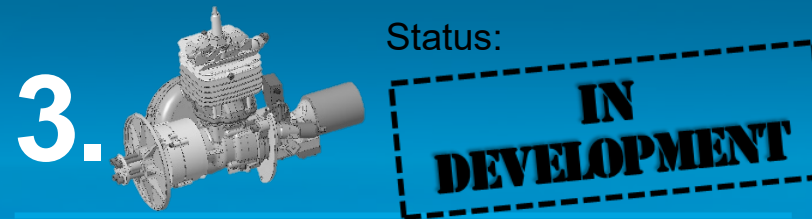
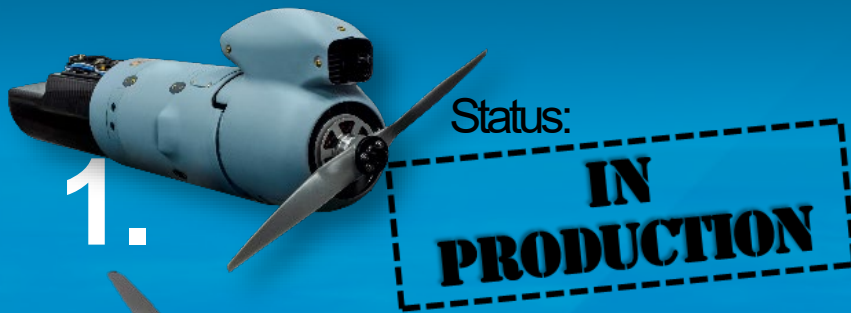
April 2020

Contract to design and
develop a hybrid propulsion
system for the next
generation of vertical take-off
and landing UAVs

Delivering on the Insitu Long Term Agreement



Orbital UAV was designated Insitu's primary engine supplier for the 5 engine models covered by the Long Term Agreement in March 2020



Images stylised for confidentiality reasons

To power Insitu's entire UAV fleet



ScanEagle2



Integrator™



ScanEagle®



ScanEagle3

Keith Hirschman

VP Global Growth

Defence to Defence Industry



Military Service 1987-2017

Cold War through
Post- 9/11 Global War on Terror



Building Expertise

R&D, Test and Program Management
ISR Systems (manned and unmanned)
3 Pentagon Assignments



Delivering

End User Insight
Customer Relationships
Defense Industry Experience

The UAS journey



Early days

Unprecedented growth
Combat flight hours
(10x)



1999-2005

“2nd Golden Age of Aviation”

Payload versatility
ISR Services



2006-2012

“Institutionalized”

Aviation programs of
record



2013-2018

Next Gen

“Less Man” in UAS



2020

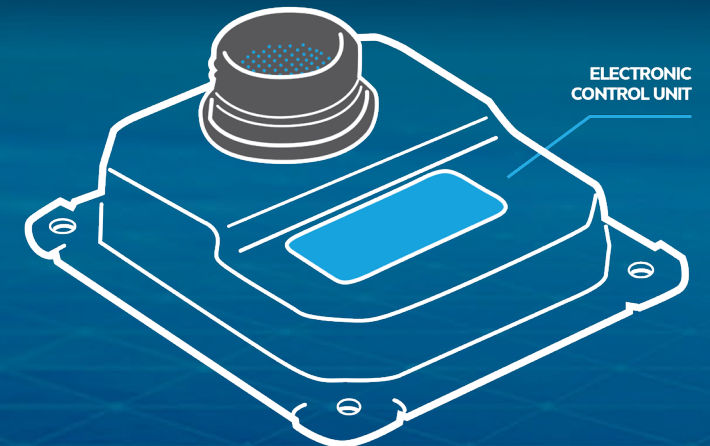
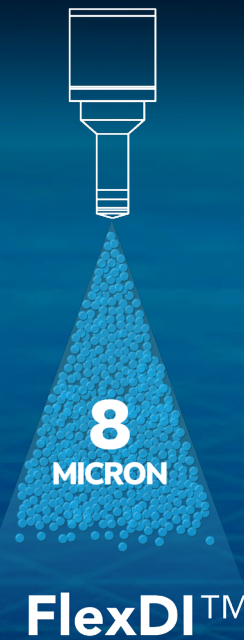
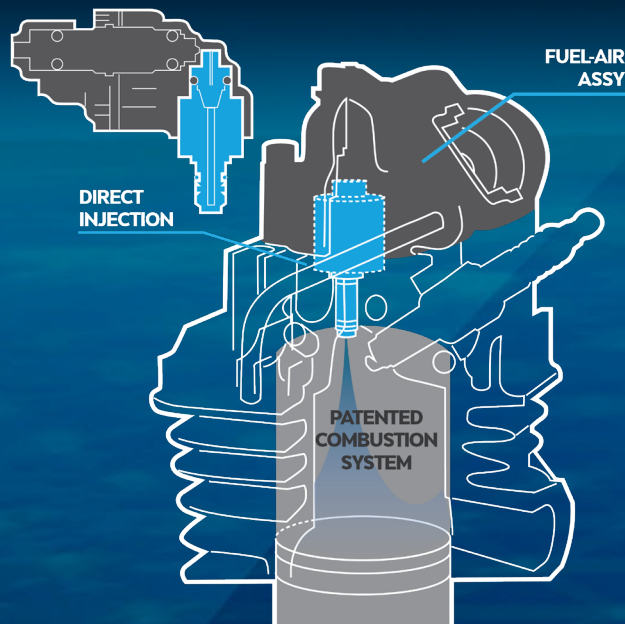
Why Orbital UAV?

Heavy fuel 2-stroke IP and know-how



40years developing innovative engine solutions

15years as a global leader in spark ignited heavy fuel propulsion

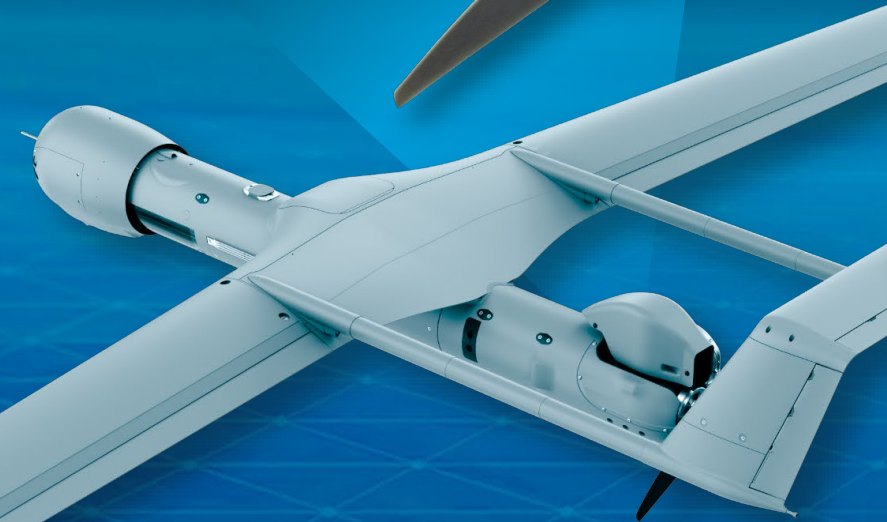


Delivering to defence



Orbital UAV's heavy fuel propulsion systems meet the US Dept of Defense's 'one fuel' policy and high reliability requirements of front-line personnel

	Orbital UAV	Others
Time between overhaul	500 hrs	~50 hrs
Cold start to launch	2 min	>20 min
x3 U.S. FAR33.49 endurance test	Yes	No



Market opportunities



United States Army Future Tactical UAS Program

Replacement of Shadow 200 Tactical UAV

**NORTHROP
GRUMMAN**



ARCTURUS UAV™

TEXTRON Systems



4 companies currently participating in FTUAS capabilities assessment:

Further timeline*

Request for Information released	end 2020
Decision made	end 2021
Low rate initial production	mid 2022
Initial operational test & evaluation	late 2022
Full rate production	late 2023

* Based on FTUAS RDT&E Schedule

Market opportunities



ADF 2020 Strategic Update & Force Structure Plan

Australian Defence Force LAND129 Program



- \$270 billion to be invested in defence capabilities over next decade
- \$2 billion identified for ISR and tactical UAV programs
- LAND129 and SEA129 programs represent mid-term opportunities

Financial highlights



FY20

REVENUE \$33.8M

top end of guidance (\$25M to \$35M)

EBITDA \$4.2M*

transition to sustainable underlying earnings

NPAT \$1.9M*

commitment to ongoing profitability

Cash & Cash Equivalents \$8.7M

strong balance sheet to fund growth

FY21



*includes one off litigation settlement payment of \$3M

Corporate overview



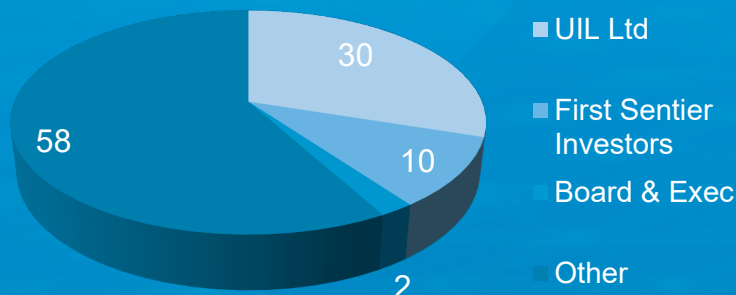
Capital Structure As at 12 October 2020

Fully Paid Ordinary Shares	77.6M
Closing share price	\$1.26
Market Capitalisation	\$97.8M

Our Financial Focus

- Year-on-year revenue growth
- Transition to sustainable underlying earnings
- Commitment to ongoing profitability
- Strong balance sheet to fund growth
- Deliver shareholder value

Top Shareholders



John Welborn

Chairman
Non-Executive Director



- Appointed Chairman March 2015
- MD & CEO of Resolute Mining Ltd
- Director Equatorial Resources Ltd

Todd Alder

Managing Director
& CEO



- Appointed CEO & MD in 2017
- Focusing on: financial discipline; strategy alignment; and operational efficiency

Steve Gallagher

Non-Executive
Director



- Board member since 2017
- 30 years experience as a CEO and director of global businesses

Kyle Abbott

Non-Executive
Director



- Experienced aerospace and defence industry executive
- MD of WA Specialty Alloys 1996-2015



*Ready to fly...*TM

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