

ASX ANNOUNCEMENT

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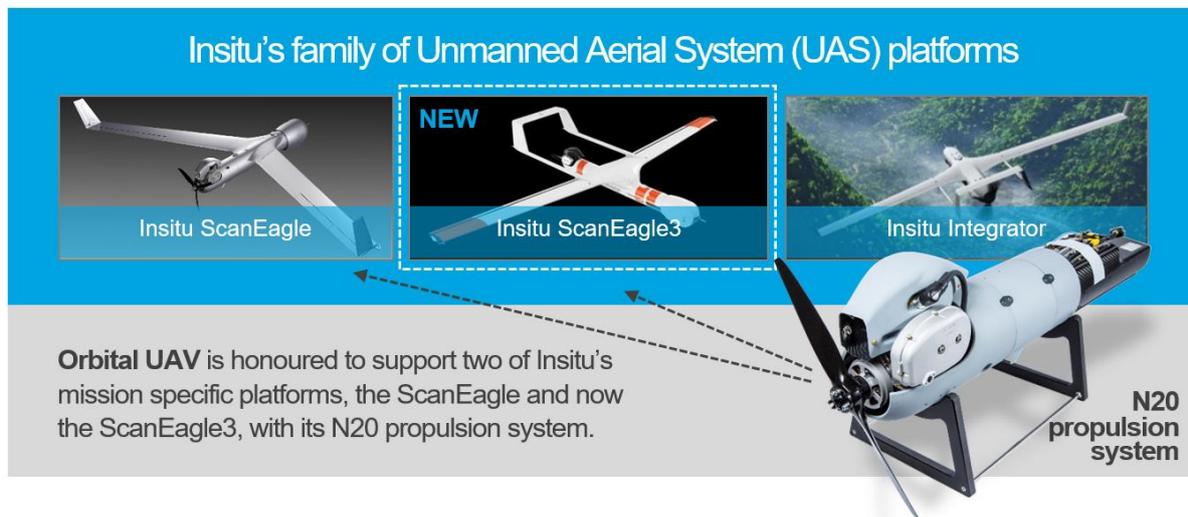
ORBITAL UAV'S N20 LAUNCHED IN INSITU AND BOEING'S NEW SCANEAGLE3

Key highlights

- New ScanEagle3 Unmanned Aerial System (UAS) features Orbital UAV's N20 propulsion system
- \$120M Long Term Supply Agreement underpins Orbital UAV & Insitu commercial relationship
- Orbital UAV maintains full year revenue guidance of ~A\$22 million

Orbital Corporation Limited (ASX:OEC) ("Orbital" or "the Company") is pleased to announce that Insitu, a Boeing Company, is using the Orbital N20 propulsion system on its new ScanEagle3 Unmanned Aerial System (UAS), which has an increased payload capability compared to the smaller ScanEagle.

ScanEagle3 was launched by Insitu at the world's largest unmanned vehicle systems conference, AUVSI XPONENTIAL 2018, in Denver, Colorado from 30 April – 3 May. Orbital attended the conference and met with key industry leaders to discuss the Company's unique propulsion technology and capabilities.



The N20 propulsion system delivers industry-leading reliability, airworthiness, fuel economy, low acoustic interference, and benchmark cost-of-ownership advantages. Its unique light weight design meets the long endurance and high reliability requirements of Insitu's new UASs.

Orbital's Managing Director and CEO, Mr Todd Alder commented: "We have been working with Insitu since 2013, and the Long Term Supply Agreement signals our strong relationship with one of the world's leading suppliers of tactical UASs. The AUVSI XPONENTIAL release of the new ScanEagle3 and N20 application demonstrates how Orbital's propulsion technology can serve a variety of unmanned aircraft, across both the defence and commercial sectors."

During the four day conference, Mr Alder and Chief Technology Officer Geoff Cathcart met with a range of key customers, suppliers and partners. There were more than 8,500 industry leaders in attendance at AUVSI XPONENTIAL with more than 725 cutting edge exhibitors.

With a strong order book in the second half of the current financial year, Orbital maintains full year revenue guidance of A\$22 million, and as a result expects to deliver a modest full year 2017/18 profit.

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CONTACTS

Todd Alder

CEO & Managing Director

Tel: +61 8 9441 2311

Email: Contact@orbitalcorp.com.au

Website: www.orbitalcorp.com.au

Cassie Clarke

Communications Manager

Tel: +61 8 9441 2165

Email: cclarke@orbitalcorp.com.au

Website: www.orbitalcorp.com.au

About Orbital

Orbital provides integrated propulsion systems and flight critical components for tactical 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.

About Insitu

Insitu is an industry-leading provider of information for superior decision making. With its headquarters in Bingen, Wash., and offices in the U.S., U.K., and Australia, the company creates and supports unmanned systems and software technology that deliver end-to-end solutions for collecting, processing and understanding sensor data. We proudly serve the diverse needs of our global customers in the defense, government and commercial industries. To date, our systems have accumulated more than one million flight hours. Insitu is a wholly-owned subsidiary of The Boeing Company.