BORESIGHT TO LIST ON THE ASX, BACKED BY REGAL AND LEADING FAMILY OFFICES, TO SCALE SOVEREIGN DRONE-TARGETRY MANUFACTURING, INVESTOR WEBINAR TRANSCRIPT

Defence-technology company will commence trading as ASX:BST following a strongly supported $8 million IPO, bringing to market the only ASX-listed pure-play in attritable counter-drone training systems, with more than 6,000 drones already sold to 15 militaries across 12 countries.

Boresight Ltd (ASX:BST) ("Boresight" or the **"Company") will commence trading** on the Australian Securities Exchange, marking its transition from a high-growth private defence technology business to a publicly listed company with the capital and platform to accelerate its next phase of global growth.

The Company successfully completed a strongly supported $8.0 million capital raise for an Initial Public Offering ("IPO") at $0.20 per share, giving Boresight a market capitalisation of approximately $41.8 million on listing. The Company's public offer was supported by Regal Fund Management, alongside a number of prominent Australian family offices and high-net-worth investors. The quality and conviction of the register reflects growing institutional recognition of the structural growth in defence demand for low-cost, attritable counter-drone training systems.

HIGHLIGHTS

- Successfully raised $8.0 million (before costs) in an Initial Public Offering ("IPO") at $0.20 per share (before costs);
- Public Offer supported by Regal Funds Management, alongside leading Australian family officers and high-net-worth investors.
- More than 6000 target drones sold, including to private companies and 15 militaries across 12 countries since 2020, with manufacturing hubs in Australia and the United States.
- Recurring, consumable model with Boresight's drone targets deliberately expended in training and re-ordered, creating repeatable demand rather than one off contract revenue.
- Boresight's growth strategy is to advance manufacturing, engineering and global sales expansion to capitalise on accelerating defence demand for counter-drone training.
- Lead Manager and book runner to the IPO was CPS Capital Group Pty Ltd.

Justin Olde, Boresight's Managing Director & Chief Executive Officer, commented:

"Listing on the ASX is the start of the next chapter for Boresight. Western and allied militaries have learned, the hard way, that you cannot defend a threat you have never trained against. We build the targets and create the control system that lets them train affordably, repeatably, and at scale. The support we have received from Regal, leading family offices and investors, reflects a clear conviction in the structural growth ahead, and in Boresight's distinct position within it.

Funding from this IPO is going to be instrumental in taking the business to the next level by helping us to advance our manufacturing capabilities, and enabling us to hire some key personnel, such as engineering expertise. We're at that transition stage from small business playing in a global market, to a global player in the market."

Andrew Windsor, Boresight's Non-Executive Chairman, commented:

"Boresight comes to market already commercial, already global, and built on recurring demand rather than one-off contracts. The board is focused on disciplined execution against a clearly defined growth strategy, and on delivering for the shareholders who have backed us"

Boresight occupies a distinct position in the global defence ecosystem. The Company designs and manufactures low-cost, attritable, aerial "target" drones with a ground control system enforcing rigorous safety parameters for training. The purpose-built target drones are used as realistic aerial threats in counter-drone (C-UAS) training and live-fire evaluation where they are shot down and replaced. The ground control system allows for swarming of multiple drones simultaneously. Unlike pure platform manufacturers, Boresight's products are consumables as they are deliberately expended in training and reordered, creating recurring and repeatable demand from defence customers.

Since incorporation in 2020 Boresight has sold more than 6000 target drones to 15 militaries across 12 countries, it has established offices in the United States and Europe, with manufacturing now underway in Australia and the United States to support global customers. The Company has more recently expanded into cost-effective ISR (camera) drones for missions requiring a cost effective live video feed.

Boresight's growth strategy centres on increased regional presence and manufacturing; an expanded product range (including new FPV and fixed-wing target drones and an upgraded ISR platform); the pursuit of recurring annuity contracts with key customers; further vertical integration to secure supply chains and reduce costs; and the development of fee-based C-UAS training packages.

This announcement has been authorised for release by the board of Directors.

-ENDS-

For further information, please contact:

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ABOUT BORESIGHT LIMITED (ASX:BST)

Boresight delivers an integrated aerial target drone ecosystem that enables realistic counter-UAS training and testing for government and industry. The company's systems combine attritable aerial target drones, mission planning software and scalable ground control systems to support threat emulation and operational readiness.

Boresight's platform range includes quadrotor and fixed-wing aerial target drones designed to replicate evolving drone threats and enable repeatable testing and training scenarios without risking high-value ISR assets.

With teams in Australia, the United States and Europe, Boresight supports customers globally with scalable C-UAS training solutions, integrated engineering and production capabilities.

Follow us for further information

Website: https://www.boresightuas.com

LinkedIn - https://www.linkedin.com/company/boresight-ltd

YouTube - https://www.youtube.com/@boresighttargets

Forward-looking statements:

Statements contained in this release, particularly those regarding possible or assumed future performance, revenue, costs, dividends, production levels or rates, prices, or potential growth of Boresight Ltd are, or may be, forward-looking statements. Such statements relate to future events and expectations and as such, involve known and unknown risks and uncertainties. These forward-looking statements are not guarantees or predictions of future performance and involve known and unknown risks, uncertainties, and other factors, many of which are beyond the Company's control, and which may cause actual results to differ materially from those expressed in the statements contained in this release.

The Company cautions shareholders and prospective shareholders not to put undue reliance on forward-looking statements, which reflect the Company's expectations only as of the date of this announcement. The Company disclaims any obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

Boresight Ltd (ASX:BST) Investor Webinar Transcript

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Boresight held an Investor Webinar on Tuesday the 9th of June at 10:15am AEST, prior to listing on the Australian Securities Exchange under the ticker code (BST) on 10th June 2026 at 12:00pm AEST.

Boresight's Managing Director & Chief Executive Officer, Justin Olde, and Executive Director, Michael Sinkowitsch, provided an update on the Company, followed by a Q&A session.

Date: 9 June 2026

Time: 10:15am AEST / 8:15am AWST

Where: Zoom Webinar - Virtual

A link to the recording of the Webinar can be accessed here: [link to Webinar]

Transcript -

Wilamina Russo speaking

Good morning, everyone. We'll give everyone a chance to come on in to the webinar just a couple of minutes before we get started. I can see the numbers going up, so I'm just going to give everyone another 30 seconds before we go.

All righty. We might get into it.

Good morning, everyone, and welcome. I'm Willy Russo. I'm the Investor and Media Relations Manager for Boresight. Thank you so much for joining us for today's investor webinar ahead of the company's listing on the Australian Securities Exchange tomorrow, the 10th of June, 2026 at 12pm Australian Eastern Standard Time. The Company will be listed under the ticker code BST.

Now at its core, Boresight is solving a problem that has emerged very rapidly in modern warfare. The widespread use of low-cost drones in conflicts around the world. This has fundamentally changed the battlefield. While drone threats have evolved quickly, training systems designed to prepare military personnel and counter drone technologies have not kept pace. Think about it. Every soldier in every counter drone capability must prove that they can kill a drone or shoot down a drone, if you want to think of it that way. Boresight has developed a purpose-built target drone system designed specifically to support training, testing, and certification activities. We believe this positions the company within a high-growth market with recurring demand characteristics, a scalable business model, and opportunities to continue to expand internationally.

Boresight's Managing Director and Chief Executive Officer, Justin Olde, and Executive Director, Michael Sinkowitsch. With that, I'm going to hand over to Michael.

Michael Sinkowitsch speaking

Thanks very much, Willy. Good morning, ladies and gentlemen, and welcome to the Boresight Ltd's pre-listing webinar. We are pleased that you could join us. As Willy said, my name is Michael Sinkowitsch, and I'm a co-founder and Executive Director of Boresight. Tomorrow is a momentous day for the Company when we officially list on the ASX. This is the culmination of many months of effort to get to this point, but also a number of years of effort in creating the Company's offers, customer and revenue base.

You can see here our disclaimer. If you haven't already had an opportunity to do so, please read the disclaimer as it contains important information regarding this presentation.

I will hand over to Justin Olde, MD and CEO of Boresight to run through the presentation itself. Justin.

Justin Olde speaking

Thanks, Mike. Welcome, everybody, and thank you for joining us. Boresight is an Australian defence technology company that was established in 2020 after it identified a potential gap in the marketplace, the ability to train effectively against the aerial drone threat on the modern battlefield. We saw there was a need for cost-effective, repeatable mission training drones that could be used by militaries and industry to develop and test systems and train against the drone threat. These target drones need to be sophisticated enough to accurately emulate the threat, but cost-effective enough to be expendable.

Since 2020, Boresight has grown to have 27 employees, with more to be added this year.

This includes the establishment of a small team in the US servicing North America and an office in the UK servicing Europe. Both locations will expand in size this year. Boresight's product range has grown to be grouped into two streams, aerial target drones for counter drone training and testing purposes, and an attritable or disposable ISR or intelligence surveillance and reconnaissance drones for military use. In simple terms, these are drones with cameras on. It's important at this point to note that Boresight is a drone company, not a counter drone company. We make drones to support the counter drone industry. We don't actually shoot drones down ourselves. We supply them to our customers for them to shoot down in training and testing scenarios.

You can see here on this slide the number of each type that we've sold, with the total figure being around 6,000 drones sold to date. And our financial year 24/25 revenue was approximately $4.36 million.

We already have a very well established and growing customer base, both domestically and internationally. You can see on this slide a selection of our customers. They include some of the biggest militaries in the world and some of the most successful counter drone system providers in the world.

Real world conflicts have shown that the pace of drone warfare has outstripped training readiness. While drone threats have become more numerous, autonomous and disposable, The training systems have remained largely unchanged.

Real-world conflicts have shown that the pace of drone warfare is outstripping training readiness. What is required is a realistic training environment that can emulate this current threat but also evolve readily as the threat evolves. It also requires purpose-built aerial targets that are cost-effective enough to be attritable, that is, be shot down and replaced when necessary.

But they also need to be purpose-built. There needs to be a range of different target types to emulate the wide range of threats, and they need to be easy to use, fly repeatable missions, and be swarmable. Boresight provides all of that capability. As mentioned earlier, this also enables Boresight to service two customer types within the broader counter-drone domain. That is the military end users, and the counter-drone industry that supports them.

So what exactly is the Boresight solution in this proposition? Well, we provide low-cost, sovereign-designed and rapidly manufactured target drones. These allow for mass deployment, enabling the cost-effective replication of threat scenarios. This, in turn, provides the ability for militaries to standardise their training and to certify personnel and systems. Standardised training is of immense importance to militaries.

We do all of this without the prohibitive cost of destroying expensive operational drones. Our solutions scale rapidly by the addition of extra additive manufacturing capacity, components and drone assembly technicians.

It's transplantable as well, which we've already demonstrated by setting up a manufacturing capability in the US. We will likely look to set up manufacturing in other regions when the critical mass of customer base is reached. Boresight also has the early mover advantage. Boresight has created a new category in defence training, one that provides realistic and repeatable counter drone training cost effectively.

We currently have three products on the market.

The BQ400 on the left of your screen is a small quadcopter aerial target drone that replicates the small ISR-type drones that we've all seen videos of from Ukraine and other military theatres. To date, we've sold over 5,000 of these swarmable drones, and that means that one operator can fly numerous drones simultaneously.

In the middle of the screen, the BQ750 is our larger quadcopter target drone that replicates the bigger ISR drones, the bomber-type drones, and things that can carry significant lethal payloads.

And finally, on the right, we have the BS350, which is a traditional camera-style drone, but developed for the ADF as part of our Advanced Strategic Capability Accelerator program, or ASCA program, was aimed to develop a sovereign drone capability. Boresight was one of three companies selected by the Australian Defence Force to provide a sovereign drone capability, and the Australian Defence Force continues to invest in this program to enhance the BS350's capabilities.

Boresight's target drones are underpinned by an in-house developed flight management and mission planning system. All of the target drones use the same software, meaning customers only need… to learn one system across multiple target types. This drives customer usage, uptake, and lock-in. It also means that with increasingly complex missions and scenarios, we can fly those very simply and safely. This enhances the realism and future-proofs our system.

As also mentioned earlier, Boresight's swarming capability enables multiple target drones to be flown simultaneously by one operator off a single ground control station. This is powered by Boresight's proprietary flight management software. What it means to our customers is they can easily conduct safe, coordinated swarming of aerial threats with customisable flight profiles that are compliant with local airspace and flying range regulations. This is designed to ensure safe, simple and repeatable training scenarios.

We have a range of additional target drone types in different stages of development at the moment, with a view to most of these being released in 2026. The BF-100 on the left of the screen is a fixed-wing aerial target that will emulate the smaller fixed-wing ISR drones that we are seeing increasingly in threat theatres. with their particular flight profiles, speed and endurance being emulated by the BF-150. We have customers already for this system, sorry, BF-100. The BQ-300 will be an FPV-type quadcopter that will emulate the very specific threat posed by first-person view drones, including their speed, maneuverability and agility. And then finally, the BF-150 will be a larger fixed-wing aerial target that will emulate the threat from the one-way mission or kamikaze-type drones, such as an Aerovironment switchblade or the Russian Lancet-type drones.

All of these additional target types will use the same ground control station and flight control software as our existing product line. These products will also be swarmable.

The design and manufacture of other target types will continue to be reviewed as the threat evolves and therefore the training requirements of our customers evolve.

This slide shows how Boresight is thinking about long-term customer growth. Boresight provides a scalable sovereign manufacturing base. We have existing defence-grade production capability that scales readily to meet the demand and can be replicated globally, either in a Boresight facility or via a licensing model at a partner facility. This gives us a lot of scope for growth.

We're also vertically integrating where it makes commercial sense to do so in order to secure our supply chains and maintain control over our components. This also aids in our overall sovereign capability and ensures that localised production is aligned with national security priorities. And over time, we also see the opportunity to leverage these licensing arrangements that can extend our reach. beyond our own current footprint. All of this has the potential to add additional revenue streams beyond just drones.

You can see here our go-to-market strategy. It's relatively straightforward. Customers typically start with small orders, some of which are simply done via credit cards. These transactions are small enough to bypass traditional defence purchasing requirements, which can be very slow and cumbersome. Once customers start using our drones, they destroy them. necessitating additional orders these orders typically are typically larger than the original order and as this evolves our system becomes part of their normal training routine which is how we lock our customers in. As customers' training becomes more complex, we provide them with the swarming capability and other target types. We're simply a simple solution for the customers.

Additional regional orders can enable scaled production in that region once a particular volume is reached. For example, the commencement of manufacturing in the US to service the increasing customer base in that market.

The company has continued to grow as more militaries purchase and introduce into service counter -drone capabilities and as more industry players develop counter-drone technologies to service those militaries. Revenue growth from $2.76 million in FY23-24 to $4.36 million in FY24-25, and that included growth in the US market from $90,000 in FY23-24 to $1 million in FY24-25.

As mentioned, we've sold around 6,000 drones of different types to date, a high proportion of which have been exported to various military and industry customers around the world. We have successfully delivered the ADF ISR drone capability, with additional orders having already been received. And we established our US presence in 2023, a UK presence in 2025, and each of these areas will continue to grow in importance to the company, and we will grow the personnel and manufacturing base in those locations accordingly. We've already been supporting the ADF's large counter drone program, Project Land 156, a project that has multiple years to run and therefore multiple years in increasing number of target drone requirement.

Building a small, attritable target drone that are suitable for military testing and training and development activities is harder than it first appears. Hobby drones. are designed for hobbyists. They're designed to be fiddled with. They're not designed to fly consistently. They're designed for entertainment. We do have some militaries that are 3D printing their own drones, but they're using internal assets and people to do that. As they scale, they're realising that it's harder than it looks and they can't keep up with the required scale. We've actually got several customers that have started down that path and eventually turned to us to service their requirement. And then, as for the big primes, they need multi-million dollar programs to make their money. And as you need to be lean and agile and have very good processes in place to make smaller, attributable target drones cost effectively, that's just not the lane that the big primes play in. I'm now going to hand back to Michael now for the rest of the presentation.

Michael Sinkowitsch speaking

Thanks, Justin. You can see here, very shortly, the Boresight leadership team, which has deep knowledge of the drone and counter drone domains, as well as a long history of experience within defence itself and also other industries. We also have on the board ASX experience with audit and governance knowledge combined. These members bring a solid foundation for the future of the Company.

The Board is ably supported by a team of experienced executives, as you can see here. Dr. Alexander Hall. is the co-founder of the Company and has a long history of drone program experience. Both Jason Henry and James Pryor have extensive experience within their particular domains of operations and business development. Each is highly effective in their role and provide the drive and vigour necessary for the company to succeed.

The capital structure is shown here. The listing price is 20 cents, giving a fully diluted market cap pre-raise of $33.8 million. And the IPO capital raise is $8 million, with the post-IPO shares on issue being around $209 million. The market cap post-raise is $41.8 million. There are 42, sorry, correction, $34.2 million options with a five-year expiry and a $0.25 strike price. Upon listing, the top 20 shareholders will control 78.1% of the company.

In conclusion, every soldier and every counter drone capability must prove that they can kill a drone. We aim to provide Western militaries with affordable, scalable and safe counter drone training solutions to meet the ever evolving drone threat. We have an established market position with major customers across the Western world and approximately 6,000 drones sold to date. We have a compelling recurring revenue business model. Our drones are consumables used in annualised training cycles, creating regular and repeat demand. Initial orders are easy to place and have been shown to scale up rapidly, driving increased demand. We have an early mover advantage and strong customer stickiness via a cost-effective solution designed and manufactured in Australia and in the US with improving sovereign supply chains. We are ready to replicate that manufacturing model in other regions when we reach the critical mass in that region.

Our current contracts include ongoing opportunities for growth with an existing customer base, the blue chip defence companies, both military and industry. Thank you, everyone. I'll now pass back to Willie for the questions.

Wilamina Russo speaking

Thank you for that, Michael and Justin. It was great to hear. We've got a couple of questions that have come through. First of all an attendee asked, what's the scale of the opportunity here at Boresight?

Justin Olde speaking

Look, if you take the Australian Defence Force and Australian Army, for example, the Australian Army is about 25,000 soldiers. If 5% of them shoot down one drone a year, and that I would suggest is a relatively conservative number, that's. 1,250 target drones that are needed just for that. If you then scale that through the US Marine Corps, which is significantly larger than the Australian Defence Force by itself, and the US Army, which is a huge organisation, you begin to see the size of the addressable market. It's a substantial opportunity.

Wilamina Russo speaking

Touched on this in the presentation, Justin, but perhaps just to reiterate, why can't militaries do this in-house?

Justin Olde speaking

Yes, we did touch on this to a degree. Militaries are there to do military things.

I mean, militaries don't build their own fighter jets or submarines. We go to industry to do that because we can do it more cost effectively. And we've seen this in the militaries that have started doing. building drones themselves. And as they try scaling up, they realise they can't quite keep up with it. We have the manufacturing capability. We've got a ground control station that's designed specifically for that testing and training environment. And we're finding that they are actually trying, but they're discovering it's not an easy thing to do and they're quickly coming back to us.

Wilamina Russo speaking

Okay, great. And we're just slightly running out of time. So just one last question. What does the future look like for Boresight?

Justin Olde speaking

Well, start by getting the drones that I've mentioned before into market and expanding those markets. I think there is. potential for manufacturing in Europe and other regions in the near to medium term future and increasing the size and scale of our company to meet an ever increasing customer demand.

Wilamina Russo speaking

Thanks so much, Justin. And thank you to everyone for joining us today. That's the end of the presentation. It was great to hear the full Boresight story. You can follow Boresight on the ASX under the ticker code BST from tomorrow, midday Australian Eastern Standard Time.

That's Wednesday, the 10th of June, midday Australian Eastern Standard Time. For any further questions, please reach out to us via the contact details on the bottom of our ASX announcements.

Thank you, and we'll see you. next time.