

ASX Announcement

18 November 2025

Elsight expands presence in U.S. Defense Market Selected by U.S. Defense Innovation Unit

for Phase 3 of the Project G.I., Design Reference Mission 2 (DRM2) Prize Challenge.

Key Highlights:

- **Elsight's Halo platform has been selected by the U.S. Defense Innovation Unit (DIU) to advance to Phase 3 of the Project G.I., Design Reference Mission 2 (DRM2) Prize Challenge**
- **This highly selective program is designed to identify, evaluate, and ultimately procure capabilities that accelerate the engagement cycle for small tactical units operating in contested environments**
- The program consists of three phases, and **Elsight is now entering the final (fielding) phase, which is expected to be concluded during H1 2026**
- DIU award for Phase 3 includes **significant funding for continued testing, operational demonstrations, and critical regulatory processes**
- Advancing to Phase 3 is a key milestone that **strengthens Elsight's strategic position in the U.S. defense ecosystem**
- Reinforces Halo's position as the **connectivity backbone of choice for mission-critical autonomous operations globally**

Elsight Limited (ASX: ELS) ("Elsight" or "the Company"), the carrier-agnostic, multi-link connectivity solutions company, is pleased to announce its selection by the U.S. Defense Innovation Unit (DIU) of the Department of War (DOW) to progress to Phase 3 of the Project G.I., Design Reference Mission 2 (DRM2) Prize Challenge.

The invitation follows a successful Phase 2 demonstration, during which the Halo multi-link platform delivered uninterrupted, secure command and control (C2) and real-time data transmission in contested and degraded communications environments.

As part of Phase 3, Elsight will continue close collaboration with U.S. government stakeholders to validate Halo's performance under challenging conditions for an extended period, building on the platform's battlefield-proven capabilities demonstrated in prior phases. Based on its success in the competition thus far, **Elsight has also received significant DIU funding to support additional fielding and to complete regulatory approvals for expedited government sales.**

Positioned at the Heart of a Generational U.S. Defence Investment Cycle

This milestone aligns with Elsight's strategy to scale its success in Europe into the significantly larger U.S. defence market. Elsight's selection comes at a critical moment, as the United States shifts toward what senior leadership has described as a "wartime acquisition footing." The newly announced Warfighting Acquisition System emphasizes rapid procurement, modular architectures, and commercial-ready technologies that can be fielded and scaled quickly.

These developments, representing over US\$10 billion in unmanned systems funding across aerial, ground, and maritime domains, are expected to mark the inflection point of the unmanned systems supercycle. As defence budgets rise and procurement accelerates, Elsight's proven Halo platform is well-positioned to benefit from the increasing demand for secure, resilient, and flexible connectivity across the defence ecosystem.

Well Timed with U.S. Defence Transformation Signalling a New Era of Rapid Procurement

Elsight's advancement to Phase 3 of Project G.I. aligns directly with the U.S. Department of War's transformation of its acquisition approach. Procurement timelines are being shortened from years to months, program leaders are gaining greater authority to make faster decisions, and priority is shifting toward commercial solutions that are already mission-ready and capable of scaling quickly.

The Department's renewed focus on **speed, modularity, and results** aims to restore America's arsenal, calling on industry to deliver capabilities with urgency and innovation. This shift directly benefits agile technology partners like Elsight, whose **Halo platform** already meets the performance, resilience, and readiness standards central to the Pentagon's new industrial strategy.

Yoav Amitai, CEO of Elsight, commented:

"We're honoured to continue our work with the Defense Innovation Unit and the U.S. DOW partners. Advancing to Phase 3 highlights Halo's proven performance and alignment with the operational requirements of mission-critical innovation. This milestone also reflects Elsight's expanding U.S. footprint at a time when the defence sector is entering what analysts describe as a generational investment cycle for unmanned systems."

Strategic Context

This U.S. government selection reinforces Elsight's momentum in the defence sector across multiple regions, following a series of new contracts won in 2025 totalling US\$23.9M (A\$36.9M), as announced earlier in 2025. The Company continues to execute on its strategy of expanding geographic reach and embedding Halo into next-generation defence and commercial drone platforms amid rising global defence budgets and regulatory tailwinds.

Authorised for release by the Board of Directors of Elsight Limited.

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About Elsight (ASX:ELS)

Elsight's (www.elsight.com) flagship product, the Halo, uses multi-link bonding to provide the most robust connectivity for drones and other unmanned systems. By adding cellular communications aggregated with satellite and RF communications, the Halo is 99.99% reliable and cyber secured. With options for less than a 100-gram card or a boxed ground version, the Halo provides continuous connectivity even in the most challenging areas for stationary, portable, or actively mobile situational requirements. Elsight's products serve many vertical markets leveraging UAV and UAS technologies including the military, HLS, public safety, delivery, medical, oil and gas, utilities, inspections, surveillance and others. Elsight was founded in 2009.