



Palladyne AI's BRAIN Selected as Finalist in U.S. Army FUZE xTech|Apex Intercept Competition

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Selection places Palladyne AI in U.S. Army evaluation pathway focused on accelerating low-cost interceptor and fire-control capabilities as Department of War seeks scalable, cost-effective ways to address increasingly complex aerial threats

SALT LAKE CITY--(BUSINESS WIRE)--Oct. 6, 2026-- [Palladyne AI Corp.](#) (NASDAQ: PDYN), a U.S.-based defense and industrial technology company delivering embodied AI-powered collaborative autonomy solutions, advanced avionics, precision-manufactured components, UAVs, and advanced aerospace engineering services, today announced that BRAIN, its edge AI flight computer, has been selected as a finalist in the U.S. Army FUZE xTech|Apex Intercept competition. The selection gives Palladyne AI the opportunity to demonstrate BRAIN's edge AI flight-control and autonomy capabilities in a mission-relevant setting as the Army evaluates technologies that could support next-generation interceptor and fire-control modernization.

"Low-cost interceptor modernization is one of the clearest examples of where edge intelligence, flight control and autonomy must come together," said Ben Wolff, President and Chief Executive Officer of Palladyne AI. "Being selected as a finalist gives Palladyne AI the opportunity to demonstrate BRAIN directly to Army and DoW evaluators in a mission-relevant setting. We believe BRAIN is well aligned with the need for intelligent, adaptable and cost-effective systems that can operate at the tactical edge."

BRAIN is Palladyne AI's edge AI flight computer designed to support guidance, navigation and control, onboard autonomy, autonomous decision support, and real-time mission adaptation. These capabilities are directly relevant to emerging interceptor and flight-guidance modernization requirements, where systems must process information, adapt to mission conditions, and support fast, reliable execution without relying on centralized compute or constant connectivity.

xTech|Apex Intercept is a U.S. Army FUZE xTech Program competition delivered in partnership with Capability Program Executive Defensive Fires. The initiative is designed to identify world-class commercial technologies with potential DoW application, bring non-traditional innovators into the DoW Science and Technology ecosystem, and provide expert feedback to help accelerate, mature, transition and scale technologies of interest to the DoW. As a finalist, Palladyne AI will have the opportunity to demonstrate BRAIN to U.S. Army and DoW end-users during the xTech|Apex Intercept finals demonstration event, expected to be held in October/November 2026.

The xTech|Apex Intercept selection builds on growing customer momentum for BRAIN, following Palladyne AI's previously announced \$2.6 million in BRAIN flight computer orders from a defense prime, with \$2.3 million supporting a low-cost kinetic counter-UAS interceptor system. We believe the finalist selection and recent customer orders reinforce BRAIN's role as an enabling edge AI flight-control computer for autonomous defense systems, interceptor applications and the broader shift toward affordable, scalable capabilities for contested environments.

About Palladyne AI

Palladyne AI is a U.S.-based technology company developing patented embodied artificial intelligence, collaborative autonomy solutions, and autonomous systems for defense and industrial markets. Palladyne AI delivers secure, American-developed and operated platforms designed to meet the stringent requirements of U.S. government and public-sector customers, including data sovereignty, security, and compliance.

Palladyne AI's embodied AI is designed to operate in complex, contested, and high-risk environments, enabling distributed tasking, human-on-the-loop decision-making, degraded-communications resilience, and multi-domain coordination. Its platform-agnostic autonomy stack combines real-time sensor fusion, adaptive AI models, and edge-native orchestration to support autonomous and collaborative systems across air, ground, maritime, and industrial domains. For more information about Palladyne AI, including GuideTech and Palladyne Aerospace and Defense, please visit www.palladyneai.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including including statements regarding the anticipated timing and nature of Palladyne AI's participation in the xTech|Apex Intercept competition; the capabilities, performance and potential applications of BRAIN; the potential benefits of BRAIN; potential future opportunities. Forward-looking statements are inherently subject to risks, uncertainties, and assumptions. Generally, statements that are not historical facts, including statements concerning possible or assumed future actions, business strategies, events, or results of operations, are forward-looking statements. These statements may be preceded by, followed by, or include the words "believes," "estimates," "expects," "projects," "forecasts," "may," "will," "should," "seeks," "plans," "scheduled," "anticipates," "intends" or "continue" or similar expressions. Such forward-looking statements involve risks and uncertainties that may cause actual events, results, or performance to differ materially from those indicated by such statements. These forward-looking statements are based on Palladyne AI's management's current expectations and beliefs, as well as a number of assumptions concerning future events. However, there can be no assurance that the events, results, or trends identified in these forward-looking statements will occur or be achieved. Forward-looking statements speak only as of the date they are made, and Palladyne AI is not under any obligation and expressly disclaims any obligation, to update, alter or otherwise revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law.

Readers should carefully review the statements set forth in the reports which Palladyne AI has filed or will file from time to time with the Securities and Exchange Commission (the "SEC"), in particular the risks and uncertainties set forth in the sections of those reports entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements," for a description of risks facing Palladyne AI and that could cause actual events, results or performance to differ from those indicated in the forward-looking statements contained herein. The documents filed by Palladyne AI with the SEC may be obtained free of charge at the SEC's website at www.sec.gov.

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