



Announcement Summary

Entity name

DRONESHIELD LIMITED

Date of this announcement

Friday January 14, 2022

The +securities the subject of this notification are:

☒ +Other securities issued under an +employee incentive scheme that are not intended to be quoted on ASX

Total number of +securities to be issued/transferred

ASX +security code	Security description	Total number of +securities to be issued/transferred	Issue date
DROAH	OPTION EXPIRING VARIOUS DATEX EX VARIOUS PRICES	15,350,000	12/01/2022

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of entity

DRONESHIELD LIMITED

We (the entity named above) give notice of the issue, conversion or payment up of the following unquoted +securities.

1.2 Registered number type

ABN

Registration number

26608915859

1.3 ASX issuer code

DRO

1.4 The announcement is

☒ New announcement

1.5 Date of this announcement

14/1/2022



Part 2 - Issue details

2.1 The +securities the subject of this notification are:

☒ +Other securities issued under an +employee incentive scheme that are not intended to be quoted on ASX

2.2a This notification is given in relation to an issue of +securities in a class which is not quoted on ASX and which:

☒ has an existing ASX security code ("existing class")



Part 3B - number and type of +securities the subject of this notification (existing class) where issue has not previously been notified to ASX in an Appendix 3B

ASX +security code and description

DROAH : OPTION EXPIRING VARIOUS DATEX EX VARIOUS PRICES

Date the +securities the subject of this notification were issued

12/1/2022

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class

☒ Yes

Were any of the +securities issued to +key management personnel (KMP) or an +associate?

☒ No

Please provide a URL link for a document lodged with ASX detailing the terms of the +employee incentive scheme or a summary of the terms

Refer to the 2019 Notice of Annual General Meeting, Resolution 8 - Adoption of Incentive Option Plan Rules. The full terms of the plan are set out in Schedule 3.

URL: <https://www.asx.com.au/asxpdf/20190329/pdf/443wtfz7bbkswr.pdf>

Any other information the entity wishes to provide about the +securities the subject of this notification

Issue of 600,000 unlisted employee options (being the Class Y options), each exercisable at \$0.25 per option, expiring on 12 January 2027.

This employee options grant, for key US-based employees, set at a strike price of approximately 50% to the current shareprice, further aligns employees and shareholders of DroneShield. Attracting, motivating and retaining best and brightest team members is key to a high-tech business like DroneShield, in a highly competitive environment for top notch talent. A meaningful equity component also reduces the base salary requirement for the relevant level of skill and experience, which is important for a business like DroneShield, in a stage of minimising cash expense base.

Issue details

Number of +securities

600,000



ASX +security code and description

DROAH : OPTION EXPIRING VARIOUS DATEX EX VARIOUS PRICES

Date the +securities the subject of this notification were issued

12/1/2022

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class

☒ Yes

Were any of the +securities issued to +key management personnel (KMP) or an +associate?

☒ No

Please provide a URL link for a document lodged with ASX detailing the terms of the +employee incentive scheme or a summary of the terms

Refer to the 2019 Notice of Annual General Meeting, Resolution 8 - Adoption of Incentive Option Plan Rules. The full terms of the plan are set out in Schedule 3.

URL: <https://www.asx.com.au/asxpdf/20190329/pdf/443wtfz7bbkswr.pdf>

Any other information the entity wishes to provide about the +securities the subject of this notification

Issue of 100,000 unlisted employee options (being the Class Z options), each exercisable at \$0.20 per option, expiring on 12 April 2022.

This employee options grant, for key Australian-based employees, further aligns US employees and shareholders of DroneShield. Attracting, motivating and retaining best and brightest team members is key to a high-tech business like DroneShield, in a highly competitive environment for top notch talent. A meaningful equity component also reduces the base salary requirement for the relevant level of skill and experience, which is important for a business like DroneShield, in a stage of minimising cash expense base.

Issue details

Number of +securities

100,000

ASX +security code and description

DROAH : OPTION EXPIRING VARIOUS DATEX EX VARIOUS PRICES

Date the +securities the subject of this notification were issued

12/1/2022

Will these +securities rank equally in all respects from their issue date with the existing issued



+securities in that class

☒ Yes

Were any of the +securities issued to +key management personnel (KMP) or an +associate?

☒ No

Please provide a URL link for a document lodged with ASX detailing the terms of the +employee incentive scheme or a summary of the terms

Refer to the 2019 Notice of Annual General Meeting, Resolution 8 - Adoption of Incentive Option Plan Rules. The full terms of the plan are set out in Schedule 3.

URL: <https://www.asx.com.au/asxpdf/20190329/pdf/443wtfz7bbkswr.pdf>

Any other information the entity wishes to provide about the +securities the subject of this notification

Issue of 14,650,000 unlisted employee options (being the Class X options), each exercisable at \$0.25 per option, expiring on 12 January 2024.

This employee options grant, for key Australian-based employees, set at a strike price of approximately 50% to the current share price, further aligns employees and shareholders of DRO.

Attracting, motivating and retaining key team members is key to a high-tech business like DRO. A meaningful equity component also reduces the base salary requirement for the relevant level of skill and experience, which is important for a business like DRO, in a stage of minimising cash expense base.

Importantly, and historically unusually for Australia, DRO does all of its own high-tech hardware and software development, across a wide range of engineering. This means highly differentiated products which are best of their class globally, however, also requires a highly sophisticated and diverse range of engineering and science skillsets.

Issue details

Number of +securities

14,650,000

Part 4 - +Securities on issue

Following the issue, conversion or payment up of the +securities the subject of this application, the +securities of the entity will comprise:
(A discrepancy in these figures compared to your own may be due to a matter of timing if there is more than one application for quotation/issuance currently with ASX for processing.)

4.1 Quoted +Securities (Total number of each +class of +securities quoted)

ASX +security code and description	Total number of +securities on issue
DRO : ORDINARY FULLY PAID	418,226,152

4.2 Unquoted +Securities (Total number of each +class of +securities issued but not quoted on ASX)

ASX +security code and description	Total number of +securities on issue
DROAH : OPTION EXPIRING VARIOUS DATEX EX VARIOUS PRICES	39,465,834



Part 5 - Other Listing Rule requirements

5.1 Were the +securities issued under an exception in Listing Rule 7.2 and therefore the issue did not need any security holder approval under Listing Rule 7.1?

☒ Yes

5.1a Select the number of the applicable exception in Listing Rule 7.2

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