CLEANSING NOTICE UNDER SECTION 708A(5)(e) OF THE CORPORATIONS ACT

DroneShield Ltd (ASX:DRO) (**DroneShield** or the **Company**) gives Notice in accordance with section 708A(5)(e) of the *Corporations Act 2001* (Cth) (**Corporations Act**) regarding the issue of 18,500,000 fully paid ordinary shares as detailed in the Appendix 2A released to the ASX on 21 November 2022 (**Shares**).

The Company states the following:

1. the Shares were issued without disclosure under Part 6D.2 of the Corporations Act;

2. as at the date of this notice, the Company has complied with:

    a) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and

    b) section 674 and section 674A of the Corporations Act;

3. as at the date of this notice, there is no excluded information for the purposes of sections 708A(7) and 708A(8) of the Corporations Act, other than as set out directly below:

The Company advises that at the date of this notice, is in the early stages of negotiations in relation to an additional investment into the Company by further investors. No quantum, pricing or other terms have been agreed on either a binding or indicative basis as at the date of this notice and there can be no certainty that any such investment will eventuate. The Company will provide any updates in accordance with its continuous disclosure obligations.

This announcement has been approved for release to the ASX by the Board.

Further Information

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About DroneShield Limited

DroneShield (ASX:DRO) provides Artificial Intelligence based platforms for protection against advanced threats such as drones and autonomous systems. We offer customers bespoke counterdrone (or counter-UAS) and electronic warfare solutions and off-the-shelf products designed to suit a variety of terrestrial, maritime or airborne platforms. Our customers include military, intelligence community, Government, law enforcement, critical infrastructure, and airports globally.

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