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ASX RELEASE

DroneShield Receives a Record \$11 million Order

DroneShield Ltd (ASX:DRO) (**DroneShield** or the **Company**) is pleased to advise it has received an all-time record purchase order for approximately A\$11 million for a Government agency customer.

The order includes several different types of DroneShield counterdrone/C-UAS equipment. A substantial part of the order is expected to be delivered shortly, with the remainder in late March 2023. A\$11 million corresponds to the combined value of both phases of the project. Payment for each batch is expected to be received within a month of each delivery. The proceeds are expected to be received across March and June 2023 quarters.

DroneShield CEO, Oleg Vornik, commented: “With this transformational next step in DroneShield’s growth, and as the counterdrone industry continues to rapidly grow, we look forward to rapidly fulfilling this contract.”

“From the start of the Company 7 years ago, DroneShield has demonstrated a consistent progression, first by building and then refining its product suite along with global distributor network, then moving to customer demos, followed by initial smaller sales, repeat \$1m+ sales, and now moving into \$10m+ sales territory.”

“Over last 24 months, we have made a significant investment in scaling our operations, to ensure we continue to meet delivery expectations of our customers as we rapidly scale up.”



Image: DroneGun MKIII™

This large contract win follows a number of other recent wins for DroneShield in last couple of months. Other significant advancements include recommendation by the Joint Counter-small

Unmanned Aircraft Systems Office (JCO) as part of the SAIC Team's offering for deployment of its Counter-UAS as a Service across US DoD, a SBIR project awarded by US DoD with partner Quantum Research International, the first US airport deployment among other deployments across US, European and other Government customers, and appointment to the Australian Department of Defence Intelligence, Surveillance, Reconnaissance and Electronic Warfare Standing Offer Panel.

Additionally, last month, DroneShield welcomed a A\$3.7 million investment from Epirus Inc, a high-growth U.S. defense technology company developing software-defined directed energy systems that enable unprecedented counter-electronics effects and power management solutions to optimize power efficiency in defense and commercial applications. This includes the Leonidas™ solid-state, software-defined high-power microwave (HPM) technology to enable unmatched counter-electronics effects for a range of use cases. Additional information about Epirus can be found at <https://www.epirusinc.com>. Epirus was founded in California in 2018 and has raised approximately US\$300 million (approximately A\$450 million) in funding since inception.

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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