



14 May 2024

Alan Zhao  
Adviser, Listings Compliance  
ASX Limited  
20 Bridge Street  
Sydney NSW 2000

By email: [ListingsComplianceSydney@asx.com.au](mailto:ListingsComplianceSydney@asx.com.au)

Dear Alan,

**DRONESHIELD LIMITED (“DRO”): CLEANSING NOTICE – AWARE QUERY**

DRO refers to ASX’s letter dated 13 May 2024 (**Letter**) and provides the following responses to the queries set out in the Letter. Terms defined in the Letter have the same meaning when used in the responses below.

- 1. Does DRO consider the Information, or any part thereof, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?**

Yes.

- 2. If the answer to question 1 is “no”, please advise the basis for that view.**

Not applicable.

- 3. When did DRO first become aware of the information referred to in question 1 above? In answering this question, please specify the date and time when DRO first became aware of the Information or any part thereof.**

The Board of DRO only resolved to close its share purchase plan early on 29 April 2024 at around 3:53 pm (Sydney time) (i.e. well after the time of announcement of the Cleansing Notice).

- 4. Please explain the basis for DRO’s statement in the Cleansing Notice that there was no ‘excluded information’ as defined by sections 708A(7) and (8) of the Corporations Act.**

DRO is of the opinion that there was no ‘excluded information’ as at the date of the Cleansing Notice, including because of the timing of the circumstances described in the response to question 3 above.

- 5. Does DRO consider the Cleansing Notice to have been validly issued? If so, please explain the basis for that view.**

Yes, DRO considers the Cleansing Notice to have been validly issued given there was no ‘excluded information’ as at the date of the Cleansing Notice.

6. **Please confirm that DRO is complying with the Listing Rules and, in particular, Listing Rule 3.1.**

DRO confirms that it is complying with the Listing Rules including Listing Rule 3.1.

7. **Please confirm that DRO's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of DRO with delegated authority from the board to respond to ASX on disclosure matters.**

DRO confirms the above responses have been authorised and approved by its Board.

Yours sincerely,

Board of Directors



13 May 2024

Reference: 93285

Mr Paul Cenoz  
General Counsel & Joint Company Secretary  
DroneShield Limited  
Level 5, 126 Phillip Street  
Sydney NSW 2000

By email: paul.cenoz@dronesshield.com

Dear Mr Cenoz

**DroneShield Limited ('DRO'): Cleansing notice – Aware Query**

ASX refers to the following:

- A. DRO's announcement titled "Cleansing Notice" released on the ASX Market Announcements Platform ('MAP') at 8:47 AM on 29 April 2024 ('Cleansing Notice'), disclosing that DRO had issued 87,776,916 fully paid ordinary shares and 125,000 fully paid ordinary shares in the capital of DRO and that, at the time of the Cleansing Notice, there was no excluded information for the purposes of sections 708A(7) and 708A(8) of the Corporations Act.
- B. DRO's announcement titled "SPP Early Closure Due To Excess Demand" released on MAP at 9:58 AM on 30 April 2024, in which DRO disclosed that the share purchase plan announced on 18 April 2024 had exceeded the maximum capped raising amount of \$15 million and that the revised closing date would be moved forward to 3 May 2024 with a scale back being applied to the applications received ('Information').

ASX observes that DRO indicated the announcement was 'market-sensitive' when it was lodged on MAP.

- C. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- D. The definition of 'aware' in Chapter 19 of the Listing Rules. This definition states that:  
*'an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity.'*
- E. Section 4.4 in *Guidance Note 8 Continuous Disclosure*: Listing Rules 3.1 – 3.1B 'When does an entity become aware of information?'
- F. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure as follows.

*'3.1A Listing rule 3.1 does not apply to particular information while each of the following requirements is satisfied in relation to the information:*

*3.1A.1 One or more of the following 5 situations applies:*

- *It would be a breach of a law to disclose the information;*
- *The information concerns an incomplete proposal or negotiation;*
- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*

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- *The information is generated for the internal management purposes of the entity; or*
  - *The information is a trade secret; and*
- 3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*
- 3.1A.3 *A reasonable person would not expect the information to be disclosed.”*

### **Request for information**

Having regard to the above, ASX asks DRO to respond separately to each of the following questions:

1. Does DRO consider the Information, or any part thereof, to be information that a reasonable person would expect to have material effect on the price or value of its securities?
2. If the answer to question 1 is “no”, please advise the basis for that view.
3. When did DRO first become aware of the information referred to in question 1 above? In answering this question, please specify the date and time when DRO first became aware of the Information or any part thereof.
4. Please explain the basis for DRO’s statement in the Cleansing Notice that there was no ‘excluded information’ as defined by sections 708A(7) and (8) of the Corporations Act.
5. Does DRO consider the Cleansing Notice to have been validly issued? If so, please explain the basis for that view.
6. Please confirm that DRO is complying with the Listing Rules and, in particular, Listing Rule 3.1.
7. Please confirm that DRO’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of DRO with delegated authority from the board to respond to ASX on disclosure matters.

### **When and where to send your response**

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **9:30 AM AEST Thursday, 16 May 2024**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, DRO’s obligation is to disclose the information ‘immediately’. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require DRO to request a trading halt immediately.

Your response should be sent by e-mail to [ListingsComplianceSydney@asx.com.au](mailto:ListingsComplianceSydney@asx.com.au). It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

### **Suspension**

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in DRO’s securities under Listing Rule 17.3.

### **Listing Rules 3.1 and 3.1A**

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In responding to this letter, you should have regard to DRO's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that DRO's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

**Release of correspondence between ASX and entity**

ASX reserves the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A. The usual course is for the correspondence to be released to the market.

Yours sincerely

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ASX Compliance

CC: Carla Balanco, DroneShield Limited