

Market Announcement

9 October 2018

Dragontail Systems Limited (ASX: DTS) – Trading Halt

Description

The securities of Dragontail Systems Limited ('DTS') will be placed in trading halt at the request of DTS, pending it releasing an announcement. Unless ASX decides otherwise, the securities will remain in trading halt until the earlier of the commencement of normal trading on Thursday, 11 October 2018 or when the announcement is released to the market.

Issued by

Wade Baggott

Principal Adviser, Listings Compliance (Perth)

9 October 2018

Chris Hesford
ASX Compliance Pty Ltd
Level 40, Central park
142-158 St George's Terrace
Perth WA 6000

Dear Chris,

**DRAGONTAIL SYSTEMS LIMITED
TRADING HALT REQUEST**

Dragontail Systems Limited hereby requests that its securities be placed in a trading halt and provides the following information in accordance with ASX Listing Rule 17.1.

1. The Company requests an immediate trading halt as the Company is in negotiation with a potential investor in relation to undertaking a substantial placement in the Company.
2. The trading halt is to last until the earlier of the Company releasing the announcement, or the commencement of trading on Thursday 11 October 2018.
3. We expect that the trading halt will end by the Company making an announcement.
4. The Company is not aware of any reason why the trading halt should not be granted.

Yours sincerely,



Stephen Hewitt-Dutton
Company Secretary