

CLOSURE OF ENTITLEMENT OFFER

Drone Safety Systems company, ParaZero Limited (**ASX: PRZ**) advises that:

- Its Entitlement Offer closed on Monday, 21 January 2019, raising \$46,240.90 from Eligible Shareholders
- With the partial underwriting of \$800,000, a total of \$846,240.90 has been raised before costs
- Parazero has the capacity to raise \$2,081,454.40 under the Shortfall Offer, which remains open for up to three months following the Closing Date.

Entitlement Offer

Parazero has accepted Entitlement Offer applications and over-subscriptions from Eligible Shareholders for 462,409 shares at an issue price of ten cents (\$0.10) per New Share, raising \$46,240.90 before costs.

In addition, the partial underwriting of \$800,000 will result in the issue of 8,000,000 shares at an issue price of ten cents (\$0.10) per New Share.

The combination of applications received and the partial underwriting has raised a total amount of \$846,240.90.

Commenting on the Entitlement Offer, Parazero Managing Director Eden Attias said: "On behalf of the Board I would like to thank our Shareholders and the Underwriter for supporting the Entitlement Offer. Parazero is at an exciting junction in its growth trajectory, with a favourable regulatory environment evolving, relationships with the world's largest drone companies, and funding now in place to drive our next phase of growth."

Parazero has further capacity to raise \$2,081,454.40 under the Shortfall Offer, which remains open for up to three months from 21 January 2019. The Company will inform the market of any share issues under the Shortfall Offer by way of lodgement of an Appendix 3B.

The following table sets out the number of New Shares to be issued or capable of being issued under the Shortfall Offer.

Description	Number of New Shares	Gross Proceeds	% of Entitlement Offer
Maximum on offer under the Entitlement Offer	29,276,953	\$2,927,695.30	
Eligible Shareholders: Total applications and over-subscriptions accepted by the Company	462,409	\$46,240.90	1.58%
Shares issued to underwriter	8,000,000	\$800,000.00	27.33%
Shortfall Offer: New Shares available under the Shortfall Offer	20,814,544	\$2,081,454.40	71.09%

The issue of shares under the Entitlement Offer to the Eligible Shareholders and the Underwriter will take place on 29 January 2019.

As previously announced, the funds raised will be applied as follows:

- Expenses of the Offer
- Product inventory
- Working Capital.

-ENDS-

For more information, please contact:

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About ParaZero Limited

ParaZero (www.parazero.com) was founded in 2014 to accomplish a vision to enable the drone industry to realise its greatest potential. ParaZero offers a smart and intuitive solution to enable drone industry growth by designing, developing and providing best-in-class autonomous safety systems for commercial drones.