



Update Summary

Entity name

DRONESHIELD LIMITED

Announcement Type

Update to previous announcement

Date of this announcement

22/4/2024

Reason for update to a previous announcement

Increased Placement and amend the Timetable.

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

DRONESHIELD LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ABN

Registration Number

26608915859

1.3 ASX issuer code

DRO

1.4 The announcement is

Update/amendment to previous announcement

1.4a Reason for update to a previous announcement

Increased Placement and amend the Timetable.

1.4b Date of previous announcement to this update

18/4/2024

1.5 Date of this announcement

22/4/2024

1.6 The Proposed issue is:

An offer of +securities under a +securities purchase plan

A placement or other type of issue



Part 4 - Details of proposed offer under securities purchase plan

Part 4A - Conditions

4A.1 Do any external approvals need to be obtained or other conditions satisfied before the offer of +securities under the +securities purchase plan issue can proceed on an unconditional basis?

No



Part 4B - Offer details

+Class or classes of +securities that will participate in the proposed issue and +class or classes of +securities proposed to be issued

ASX +security code and description

DRO : ORDINARY FULLY PAID

Will the proposed issue of this +security include an offer of attaching +securities?

No

Details of +securities proposed to be issued

ASX +security code and description

DRO : ORDINARY FULLY PAID

Maximum total number of those +securities that could be issued if all offers under the +securities purchase plan are accepted

6,250,000

Will the offer be conditional on applications for a minimum number of +securities being received or a minimum amount being raised (i.e. a minimum subscription condition)?

No

Will the offer be conditional on applications for a maximum number of +securities being received or a maximum amount being raised (i.e. a maximum subscription condition)?

No

Will individual security holders be required to accept the offer for a minimum number or value of +securities (i.e. a minimum acceptance condition)?

Yes

Is the minimum acceptance unit based or dollar based?

Dollar based (\$)

Please enter the minimum acceptance value

\$ 2,000

Will individual security holders be limited to accepting the offer for a maximum number or value of +securities (i.e. a maximum acceptance condition)?

Yes

Is the maximum acceptance unit based or dollar based?

Dollar based (\$)

Please enter the maximum acceptance value

\$ 30,000

Describe all the applicable parcels available for this offer in number of securities or dollar value

\$2,000, \$5,000, \$10,000, \$15,000, \$20,000, \$25,000, \$30,000



Offer price details

Has the offer price been determined?

Yes

In what currency will the offer be made?

AUD - Australian Dollar

What is the offer price per +security?

AUD 0.80000

Oversubscription & Scale back details

Will a scale back be applied if the offer is over-subscribed?

Yes

Describe the scale back arrangements

In the event of oversubscription by the Closing Date the Directors may, in their absolute discretion, scale-back applications on an equitable basis. Scale-back for Shares held by Custodians will be applied at the level of the underlying Beneficiary. Directors may also, in their absolute discretion, decide to increase acceptances in the event of oversubscriptions.

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Part 4C - Timetable

4C.1 Date of announcement of +security purchase plan

18/4/2024

4C.2 +Record date

17/4/2024

4C.3 Date on which offer documents will be made available to investors

22/4/2024

4C.4 Offer open date

22/4/2024

4C.5 Offer closing date

10/5/2024

4C.7 +Issue date and last day for entity to announce results of +security purchase plan offer

15/5/2024

Part 4D - Listing Rule requirements

4D.1 Does the offer under the +securities purchase plan meet all of the requirements of listing rule 7.2 exception 5 or do you have a waiver from those requirements?



Yes

Part 4E - Fees and expenses

4E.1 Will there be a lead manager or broker to the proposed offer?

No

4E.2 Is the proposed offer to be underwritten?

No

4E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

No

4E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

Part 4F - Further Information

4F.01 The purpose(s) for which the entity intends to use the cash raised by the proposed issue

The proceeds raised under the SPP are intended to be utilised for the build up of inventory to support pipeline of opportunities, investment into AI and machine learning, paying the expenses of the Offer and for working capital purposes.

4F.1 Will the entity be changing its dividend/distribution policy if the proposed offer is successful?

No

4F.2 Countries in which the entity has +security holders who will not be eligible to accept the proposed offer

All countries other than Australia, New Zealand, Singapore, Hong Kong, Germany, the UK, the US, Switzerland, or the Netherlands.

4F.3 URL on the entity's website where investors can download information about the proposed offer

<https://www.droneshield.com/investors>

4F.4 Any other information the entity wishes to provide about the proposed offer



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?

Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	11/6/2024	Estimated	

Comments

Tranche 2 of the placement is subject to shareholder approval at a General Meeting of the Company.

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

No

Details of +securities proposed to be issued

ASX +security code and description

DRO : ORDINARY FULLY PAID

Number of +securities proposed to be issued

125,651,916

Reason for the update of 'Number of +securities proposed to be issued'**Offer price details**

Are the +securities proposed to be issued being issued for a cash consideration?

Yes

In what currency is the cash consideration being paid?

AUD - Australian Dollar

What is the issue price per +security?

AUD 0.80000



Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

Yes

Part 7C - Timetable

7C.1 Proposed +issue date

29/4/2024

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

Yes

7D.1a Date of meeting or proposed meeting to approve the issue under listing rule 7.1

11/6/2024

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

Yes

7E.1a Who is the lead manager/broker?

Bell Potter Securities Limited and Shaw and Partners Limited have been appointed as Joint Lead Managers.

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

In equal proportions to the Joint Lead Managers, on the Settlement Date a Management and Selling / Underwriting Fee of 4% of the gross proceeds raised under the Placement; and to Bell Potter, a Corporate Adviser Fee of 2% of the gross proceeds raised under the Placement. For avoidance of doubt, the Company will pay 6% total fee for all services provided by the JLMS under the Placement.

7E.2 Is the proposed issue to be underwritten?

Yes

7E.2a Who are the underwriter(s)?

Bell Potter Securities Limited and Shaw and Partners Limited.

7E.2b What is the extent of the underwriting (ie the amount or proportion of the proposed issue that is underwritten)?

Fully underwritten.



7E.2c What fee, commission or other consideration is payable to them for acting as underwriter(s)?

In equal proportions to the Joint Lead Managers, on the Settlement Date a Management and Selling / Underwriting Fee of 4% of the gross proceeds raised under the Placement; and to Bell Potter, a Corporate Adviser Fee of 2% of the gross proceeds raised under the Placement. For avoidance of doubt, the Company will pay 6% total fee for all services provided by the JLMs under the Placement.

7E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated.

The underwriting agreement contains customary termination events for an agreement of this nature. Please refer to the Investor Presentation.

7E.3 Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed issue?

No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

The proceeds raised under the Placement are intended to be utilised for the build up of inventory to support pipeline of opportunities, investment into AI and machine learning, paying the expenses of the Offer and for working capital purposes.

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

No

7F.2 Any other information the entity wishes to provide about the proposed issue

Tranche 1 placement of 87,776,916 new fully paid ordinary shares will be issued using the Company's existing 7.1 capacity and issued on or about 29 April 2024. Tranche 2 placement of 37,875,000 new fully paid ordinary shares will be issued on or about 17 June 2024, subject to shareholder approval being obtained at the Company's EGM.

7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)