

## \$13m Progress Payment, Surge in Cash Receipts

- DroneShield continues its rapid surge in cash receipts including \$12.9 million received end of last week, with \$62.9 million received YTD, at 4x the entire FY2022, and growing.
- The Company continues to strengthen its 2024 pipeline and significantly scale operations to support demand.

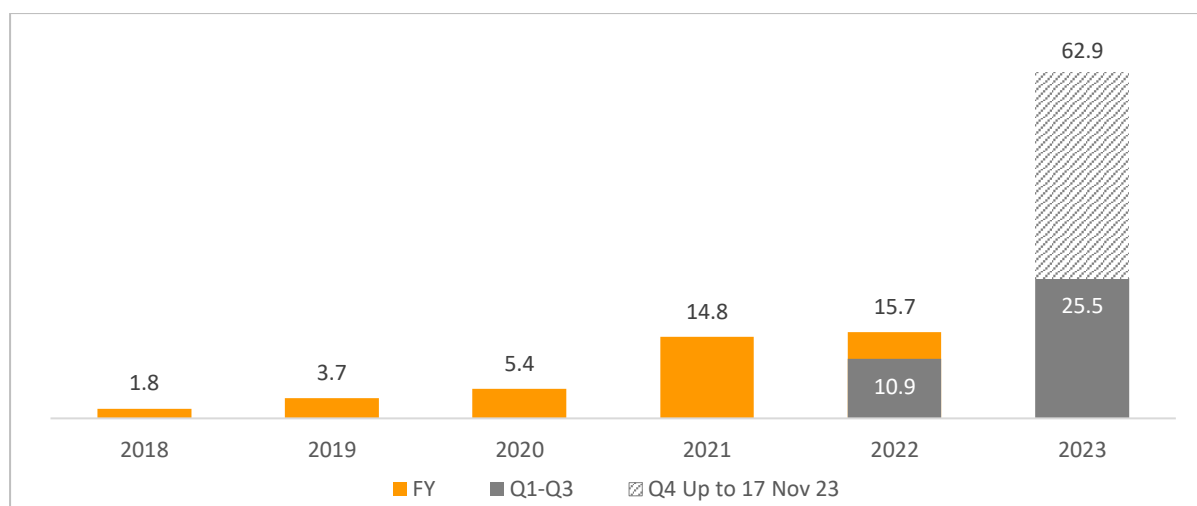
**DroneShield Ltd (ASX:DRO) (DroneShield or the Company)** is pleased to report an ongoing surge in cash receipts, with \$62.9 million received for 2023 year to date. This has included a \$12.9 million progress payment received end of last week from a [\\$33 million contract](#) announced 17 July 2023. Approximately \$30 million has now been paid under this contract, with the remaining \$3 million expected in 1Q24.

**Oleg Vornik, DroneShield’s CEO**, commented “DroneShield is seeing a large and growing amount of customer demand for our counter-drone products, driven by continued use of small drones on battlefield and in terrorist activity, as well as other use cases.”

“We are expecting the current significant surge in demand to continue even with the eventual slowdown in global tensions, due to no military or Government customer globally having anywhere near enough of counterdrone equipment, due to the nascent stage of the counterdrone industry. DroneShield has proven solutions with numerous unique differentiators, supported by an 80+ in-house engineering team driving forward the technology and ability to supply at large scale. ”

“Scaling operations is continuing, as we move to new premises at 3x floor area of the current facility, prior to end of 2023, and concurrently significantly scaling and optimising our supply chain, manufacturing, and field support processes.”

### Rapid Cash Receipt Growth (Sales + Grants) (A\$m)



The Company’s bank balance as of today is \$62.5 million. It has no debt. The current order backlog is \$38 million (defined as contracted amounts due), with \$14 million due prior to end of 2023. The aim of the business is to complete orders and receive payments as quick as possible (thus keeping down the order book), aside from long term R&D work with the Australian Government. The current delivery timeframes range from immediate for smaller orders, to 3-4 months for large projects, considered exceptionally rapid by industry standards.

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The sales pipeline is approximately \$400 million. The production capacity of the business, following recent and current capacity upgrades, is at approximately \$400 million annually.

This announcement has been approved for release to the ASX by the Board.

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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.

To learn more about DroneShield click here: [www.dronesield.com/about](http://www.dronesield.com/about)

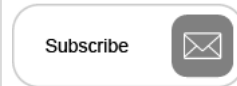
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**For more information**

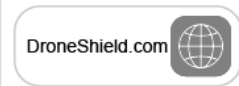
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