



16 July 2024

Lisa Banh  
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ASX Limited  
20 Bridge Street  
Sydney NSW 2000

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

Dear Lisa,

**DRONESHIELD LIMITED (“DRO”): ASX Price Query**

DRO refers to ASX’s letter dated 16 July 2024 (**Letter**) and provides the following responses to the queries set out in the Letter.

- 1. Is DRO aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?**  
No.
- 2. If the answer to question 1 is “no”, is there any other explanation that DRO may have for the recent trading in its securities?**

DRO is aware of the following article that was released today:

<https://www.capitalbrief.com/article/short-sellers-circle-droneshield-as-it-nears-wild-2b-market-cap-ade56101-a3ab-41c6-adaa-4be3720d5a96/preview/>

The article included the following:

- Share price performance over the recent period;
- Comparison of DRO’s market cap to several large companies across different industries in the Australian market;
- Statements by two fund managers on their opinion of DRO’s valuation being overheated;
- Statements from two stock analysts on their outlook for DRO;
- Brief summary of DRO’s business;
- Reference to DRO being a popularly traded stock on several broker platforms; and
- A historical sale of DRO’s shares held by one of DRO’s Directors’, Jethro Marks.

There is no new information or change of circumstance around the business.

- 3. Please confirm that DRO is complying with the Listing Rules and, in particular, Listing Rule 3.1.**  
Yes.
- 4. Please confirm that DRO’s responses to the questions above have been authorised and approved under 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.**  
Yes.

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

Yours sincerely,

Board of Directors

For personal use only



16 July 2024

Reference: 96735

Ms Carla Balanco  
CFO/Joint Company Secretary  
DroneShield Limited

By email only.

Dear Ms Balanco

**DroneShield Limited ('DRO'): Price - Query**

ASX refers to the following:

- A. The change in the price of DRO's securities from a high of \$2.72 to a low of \$1.79 today.
- B. The significant increase in the volume of DRO's securities traded from 15 July 2024 to 16 July 2024.

**Request for information**

In light of this, ASX asks DRO to respond separately to each of the following questions and requests for information:

1. Is DRO aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?

If the answer to question 1 is "yes".

- (a) Is DRO relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in DRO's securities would suggest to ASX that such information may have ceased to be confidential and therefore DRO may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
  - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
  - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
2. If the answer to question 1 is "no", is there any other explanation that DRO may have for the recent trading in its securities?
  3. Please confirm that DRO is complying with the Listing Rules and, in particular, Listing Rule 3.1.
  4. Please confirm that DRO's responses to the questions above have been authorised and approved under 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**

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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 **4:30 PM AEST Tuesday, 16 July 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 to me by e-mail at **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.

### **Trading halt**

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in DRO's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

### **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**

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.

Kind regards

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ASX Compliance