



17 November 2017

ASX RELEASE

DroneGun Wins Paraguay Government Tender

- **DroneGun wins Paraguay Government tender.**
- **A purchase of a test unit for evaluation by the Paraguayan Ministry of National Defense with a view to a larger order.**
- **First South American order.**

DroneShield Ltd (ASX:DRO) ("DroneShield" or the "Company") is pleased to announce that it has received an order for a DroneGun tactical drone jammer product from its distributor Mega ("Mega"). DroneShield understands that the DroneGun has been ordered for Mega's customer, the Paraguayan Ministry of National Defense (MDN). Importantly, the order was received following DroneGun's win of a competitive tender. The order is at the Company's full commercial rate price for one unit (which revenue is not material), and is understood to have been placed so that the Paraguayan Ministry of National Defense could conduct an in-field evaluation of DroneGun with a view to a larger order. This is the first South American order for any of the Company's products.

The Company's ability to fulfil the order is subject to approval by a U.S. regulator overseeing defence exports. For clarity, only some of the Company's potential orders require such approval since sales of the Company's products to a number of countries allied with the United States (including but not limited to all the NATO countries (including, among others, the United Kingdom, France and Spain)) do not require U.S. regulatory approval. The Company expects to receive such approval, if it is granted, in the next month, using the established U.S. defence product sale approval process. There are, of course, no guarantees that the approval for this particular order will be granted.

The Company is currently in a number of government procurement processes internationally and expects to update the market on the status of some of these processes in the short-term.

Further Information

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About DroneShield Limited

Based in Sydney and Virginia, DroneShield is a worldwide leader in drone security technology. The Company has developed the pre-eminent drone security solution that protects people, organisations and critical infrastructure from intrusion from drones. Its leadership brings world-class expertise in engineering and physics, combined with deep experience in defence, intelligence, and aerospace.

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