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ASX RELEASE

## Partnership with Government Organisation

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- DroneShield partners with a government organisation headquartered in a U.S. Mid-Atlantic state.
- U.S. military training area to be used for demonstrations of DroneGun and DroneShield's drone detection products to U.S. government organisations.
- Follows Iranian military announcing its own anti-drone jammer weapon.
- First reported case of passenger aircraft collision with drone earlier this month.

**DroneShield Ltd (ASX:DRO)** ("DroneShield" or the "Company") is pleased to announce the following government organization partnership in the United States.

In early December 2016, Popular Science reported that the Iranian military, whose interests are adversarial to those of the Western militaries, had unveiled what appears to be an internally-developed drone rifle designed to bring down drones. The Western militaries are also acutely aware of the urgent threat of drones and are in the early stages of adopting drone detection and counter-measure products, hence the recent roll out of DroneShield's DroneGun, a tactical drone jammer.

DroneShield is now pleased to announce a partnership with a government organisation headquartered in a U.S. Mid-Atlantic state. Under the partnership, the government organisation will make a U.S. military training area available for demonstrations of DroneShield's DroneGun and DroneShield's drone detection products to U.S. government organisations, and will facilitate such demonstrations, at no cost to DroneShield. In turn, the government organisation will trial and utilize DroneShield's DroneGun product at that military area at no cost to the government organisation.

By way of additional background, a video overview of DroneGun is available [here](#).



*Image: Iranian military drone jammer (this is not DroneShield's product)*

A wave of drone threat incidents in the recent days underscore the urgency of the need for drone detection and mitigation products.

- On 7 January 2017, *DailyMail.com* reported that a drone had crashed into a packed Boeing 737

passenger jet with 80 people on board, tearing holes in the plane's nose as it was coming into land at an airport in Mozambique. This is understood to be the first reported collision of a drone with a passenger airliner.

- Other flights that have been reported to have experienced near collisions with drones over the recent months include KLM's B738 at Amsterdam, Air France's AF-1359 at Paris Charles de Gaulle, Lufthansa's LH-116 at Munich, British Airways' BA-777 at London's Heathrow, Porter Airlines' PD-204 at Toronto, Swiss Avro's LX-456 at London City, and Easyjet's U2-1045 at Basel (Switzerland), among many others. In each case, lives of at least dozens and typically over a hundred and sometimes hundreds of passengers and crew were at risk, with disaster narrowly averted.
- On January 6, 2017, *The Weekly Standard* reported that The U.S. Central Command had confirmed to it that ISIS had been producing its own weaponized drones using commercially available drones.
- In late December 2016, an ISIS-produced video of a montage of suicide bombing attacks filmed by ISIS drones from the sky (as these attacks occurred) was widely circulated on the Internet, including in the Western press.

The drone detection and defence market is undergoing rapid development, with increasing and urgent adoption by government and corporate users. As illustrated by the recent orders from the Turkish Prime Ministry and a national security agency of an Asian country from DroneShield, announced to the market on 20 December 2016 and 21 December 2016 respectively, and further by this partnership with a government user in the United States, DroneShield is at the forefront of that development and adoption. DroneShield's in-house and distributor salesforces continue to progress a large number of opportunities, with several orders in advanced stages. DroneShield will update the market in relation to material sales if/when they occur.

### **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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