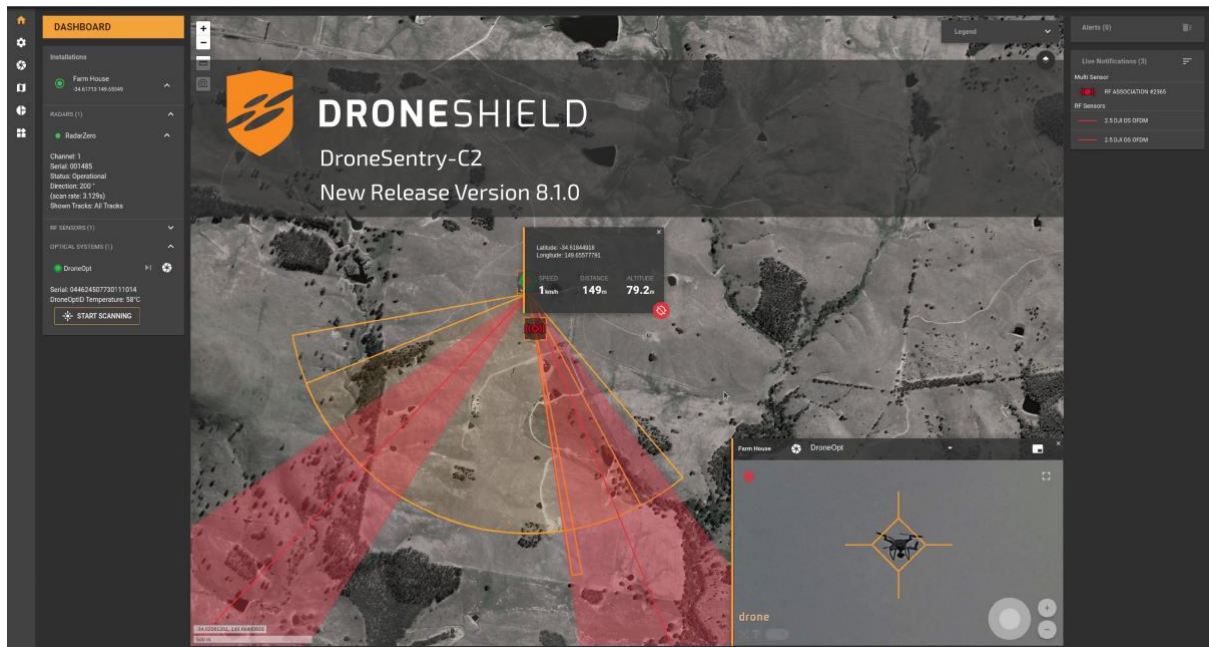**16 November 2022** ASX RELEASE

DroneSentry-C2 Command-and-Control System Upgrade

DroneShield Ltd (ASX:DRO) (DroneShield or the Company) is pleased to announce it has released the latest v8.1.0 version of its DroneSentry-C2™ Command-and-Control System to its enrolled users globally.

Both secure cloud-hosted and on-premises editions of the DroneSentry-C2™ software receive regular software updates, which include upgrades to DroneShield's edge computing server (SmartHub™), computer vision AI engine (DroneOptID™) and sensor fusion (ComputeNode™) components of the system.

This update of DroneSentry-C2™ includes security improvements including patches for security vulnerabilities, bug fixes and performance improvements.

Major upgrades include:
- Improved drone model classification
- Enhanced optical target tracker
- Enhanced management of false positives
- Addition of RfPatrol handheld sensors for a site plan
- Enhanced Planning Tool to enable streamlined site proposal generation

Oleg Vornik, DroneShield's Chief Executive Officer, commented, "This major software update, incorporates a substantial amount of end-user feedback. DroneShield is unique in developing its own proprietary sensors and integrated systems, which enable seamless user experience. As drones continue to present an urgent and growing threat to a range of our customers including military, law enforcement and critical infrastructure users, the Command-and-Control (C2) system provides a smart AI-enabled interface for them to operate our systems."

"Importantly, as our C2 continues to be deployed across a growing range of end customers, this facilitates an increasing user subscription base. DroneSentry is our flagship fixed site detect-and-defeat counterdrone product, and DroneSentry-C2 is the enabling software for it, thus these critical updates assist in growing user adoption of the DroneSentry systems."

Additional information about the system can be found at https://www.droneshield.com/sentry-c2.

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

Further Information

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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 globally.

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