



20 November 2025

ASX Compliance  
20 Bridge Street  
Sydney NSW 2000

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

Dear ASX Compliance,

DroneShield Limited (**DRO**) refers to your letter dated 13 November 2025 and email dated 19 November 2025. Responses to your questions are below, and this letter uses the defined terms in your letter.

### Background

DRO has, with the approval of shareholders, granted unlisted performance options (**Performance Options**) over ordinary shares in DRO (**DRO Shares**) to certain directors, senior managers and other employees that vested upon DRO achieving certain performance targets. In early 2024, when the relevant Performance Options were approved by shareholders, the revenue of DRO was approximately A\$54 million. The vesting condition for the Performance Options was set at a revenue or cash receipts target of A\$200 million in any rolling 12 month period, which represented a significant stretch target for DRO.

The Performance Options formed part of the remuneration of the three directors in order to preserve DRO's cash balance. As vested Performance Options represent remuneration that has been earned, the three directors have historically exercised and disposed of the DRO Shares issued on exercise of the Performance Options, consistent with the disposals which are the subject of this letter.

On 4 November 2025 DRO disclosed to the market that the vesting conditions for 44,455,000 Performance Options had been satisfied. On 5 November 2025 DRO disclosed to the market that 31,161,833 Performance Options had been exercised, applied for quotation of the DRO Shares issued on exercise, and issued a cleansing notice for the DRO Shares. The exercise of Performance Options by the three directors was disclosed to the market on 5 November 2025 when an Appendix 3Y was filed for each of the three directors. A trading window for the sale or purchase of DRO Shares opened on 6 November 2025.

The market was fully informed that the three directors had exercised Performance Options and were able to sell the DRO Shares received on exercise.

It is DRO's belief that persons who commonly invest in securities would understand that the exercise of the Performance Options would crystallise the sale of a material proportion of the shares issued in order to meet the significant tax liability for each of the three directors and other employees arising from the exercise.

DRO notes that while each of the three directors disposed of all the DRO Shares that they held following exercise of the Performance Options, they did not dispose of their entire security holding in DRO. Each of the directors retained vested Performance Options over DRO Shares that they are entitled to exercise into DRO Shares (Oleg Vornik retained 193,167 vested Performance Options, Peter James retained 250,000 vested Performance Options and Jethro Marks retained 40,000 vested Performance Options).

DRO was not a party to (nor was it aware of) any agreement among the three directors regarding the sale of all (or any part) of their DRO Shares. DRO has been informed by the directors that they did not have an agreement to dispose of all (or any part) of their DRO Shares, and that the shares were sold on-market, in the ordinary course of trading, and in accordance with programmed trading parameters agreed by each director with their broker.



1. Does DRO consider the following information, or any part thereof, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
  - a) The agreement by three directors (including the chairman and chief executive officer) of DRO, or by any one of those directors, to dispose of their entire ordinary shareholding in DRO.
  - b) The disposal by the three directors referred to above, or any one of them, of their entire ordinary shareholding in DRO.

Please answer separately for each of the above.

#### Response to question 1

DRO understands that the ASX's reference to "agreement" in question 1(a) includes execution of a sale order by one or more directors with their broker to dispose of DRO Shares. For the following response, DRO treats the term "agreement" as used in question 1 as being synonymous to "decision".

DRO was not aware of any decision to dispose, or actual disposal, of DRO Shares by the three directors or any of them until after the market closed on 12 November 2025. Upon receipt of the information required to populate the Appendix 3Ys, DRO immediately disclosed the information to the market. In those circumstances, it was not possible for DRO to form any view of the specific trades before they occurred.

In the context of the above circumstances, the questions raised in question 1 are hypothetical because they do not pertain to DRO's state of knowledge (or lack thereof) at the time of any decision to dispose or actual disposal of DRO Shares by the three directors. As such, any response by DRO to question 1 would be speculative (in the abstract), not based on specific circumstances known to DRO at the time that such an assessment would have needed to have been made, and would be influenced by hindsight, including the market's performance after 12 November 2025.

Additionally, DRO notes that the three directors each disposed of markedly different total volumes of DRO Shares (Marks 1.46 m; Vornik 14.8 m; James 3.7m). Question 1 contemplates various alternative possible scenarios that involve either all three directors, or any one of them. The multiple distinct alternative scenarios could therefore involve the disposal of markedly different volumes of DRO Shares (which may impact the materiality of that information).

For these reasons, DRO is not able to provide a 'yes' or 'no' answer to question 1(b) (and a response to question 1(a) is below).

DRO acknowledges that there may be some instances in which a share sale might constitute information that is market sensitive, however, an assessment at the relevant time would depend upon the specific prevailing facts and circumstances and the company's knowledge of the same. In this particular instance, DRO was not aware of a decision to dispose, or of the disposal itself, until it was notified after market close on 12 November 2025.

DRO believes that it has fully complied with its disclosure obligations regarding the director sales and the market is fully informed about those sales.

#### Response to question 1(a)

In addition to the response immediately above, DRO responds to question 1(a) as follows.

As noted above, DRO has been informed by the directors that they did not have an agreement amongst themselves to dispose of all (or any part) of their DRO Shares, and that



the shares were sold on-market, in the ordinary course of trading, and in accordance with programmed trading parameters agreed by each director with their respective broker.

To the extent that the question proceeds on the basis that the execution of a sale order with a broker constitutes an agreement, unless and until a sale order has been executed that information could not be information that a reasonable person would expect to have a material effect on the price or value of its securities as it is too uncertain whether the transaction would occur. Accordingly, the answer to question 1(a) is no on that basis.

**Response to question 1(b)**

DRO refers to its response above under the heading "Response to question 1".

- 2. If the answer to any part of question 1 is 'no', please advise the basis for that view.**

**Please answer separately for each of the items in question 1 above.**

**Response to question 2(a)**

See response to question 1(a) above.

**Response to question 2(b)**

See response to question 1(b) above.

- 3. When did DRO become aware of the information referred to in question 1 above?**

**Please answer separately for each of the items in question 1 above.**

**Response to question 3(a)**

DRO became aware of the sale of DRO Shares by the three directors after market close on 12 November 2025.

**Response to question 3(b)**

DRO became aware of the sale of DRO Shares by the three directors after market close on 12 November 2025.

- 4. If DRO first became aware of the information referred to in question 1 before the date of release of the Appendices 3Y, did DRO make any announcement prior to that date which disclosed the information? If not, please explain why the information was not released to the market at an earlier time, commenting specifically on when you believe DRO was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps DRO took to ensure that the information was released promptly and without delay.**

**Please answer separately for each of the items in question 1 above and provide details of the prior announcement if applicable.**

Not applicable.

- 5. Did each of the directors referred to in paragraph G above comply with the notification and approval requirements outlined in the Trading Policy in respect of the Transactions? If so, please outline when approval was sought by each of the directors, and when the approval was granted by the relevant persons at DRO. Additionally, please provide a copy of the request and approval for each director (not for release to market).**



The three directors were in substantial compliance with the approvals process under the Trading Policy.

- Oleg Vornik – approval sought and granted for the sale of a maximum number of DRO Shares on 5 November 2025, the date of issue of the DRO shares.
- Peter James – approval sought and granted for the sale of a maximum number of DRO Shares on 5 November 2025, the date of issue of the DRO shares.
- Jethro Marks – approval sought and granted for the sale of a maximum number of DRO Shares on 5 November 2025, the date of issue of the DRO shares.

Copies of the relevant requests and approvals are marked **Annexure 1** to this letter (not for release to market).

Trades were notified to DRO within five business days in compliance with Listing Rule 3.19A rather than two business days as required under the internal Trading Policy.

**6. Does DRO consider the Transactions enlivened section 5.4 of the Trading Policy?**

Yes. However, it has been confirmed by the relevant directors that at the time that section 5.4 of the Trading Policy was considered on 1 November 2025, none of them had made a final decision in relation to the disposal of DRO Shares, nor the parameters (for example, volume, price or timing) that would apply to such disposal. The file note dated 1 November 2025 that is referred to in the response to question 7(b) needs to be viewed in that context.

The relevant directors did not seek approval to trade up to 100% of the number of shares specified in their respective approval requests until 5 November 2025 (4 days after the discussion referenced in the file note). As noted in response to question 1, the Company did not have awareness of the actual selling intentions of the directors until after those trades had occurred and were notified to the Company on 12 November 2025.

**7. If the answer to question 6 is:**

- a) **'no', please explain why not and provide the date and time when DRO became aware of any of the director's intention to sell DRO securities.**

Not applicable.

- b) **'yes', please provide a copy of the relevant file notes (not for release to market).**

See attached marked **Annexure 2** to this letter.

**8. Was DRO aware of the intention of any of its directors to dispose of the securities at the time it issued the Cleansing Notice?**

No.

**9. If the answer to question 8 is 'yes', does DRO consider that the Cleansing Notice was validly issued? If so, please explain the basis for that view, noting that the price of DRO's securities decreased significantly on 6 November 2025.**

Not applicable.

However, without being exhaustive, in relation to the decrease in DRO's Share price on 6 November 2025, DRO notes that the defence sector was off materially that day.



- 10. Did any of the Transactions occur after the Initial Announcement was released, but before the Withdrawal Announcement was released? If so, please confirm the volume of securities disposed of, and total consideration received by, each relevant director during this time period.**

Yes as shown below.

On 10 Nov 25, from after the Initial Announcement was released, but before the Withdrawal Announcement was released:

- (a) Jethro Marks: disposal of 42,491 DRO shares, total consideration \$146,321.39;
- (b) Peter James: disposal of 128,765 DRO shares, total consideration \$443,921.26; and
- (c) Oleg Vornik: disposal of 517,347 DRO shares, total consideration \$1,783,569.61.

- 11. Noting that the Appendix 3Y for each director disclosed only that the 'date of change' in respect of the Transactions was '6 – 12 November', please provide (in a form suitable for release to the market) a revised Appendix 3Y for each director which includes details of each separate disposal of securities by the relevant director forming part of the Transactions, including:**

- a) the date of each disposal; and
- b) the volume disposed of on the relevant day.

See attached marked Annexure 3 to this letter.

- 12. Please confirm whether the Trading Policy was adhered to in respect of the Transactions, including any orders or executions in close proximity to the Initial Announcement by any of the directors and/or their agents. If the Trading Policy was not complied with, please outline what disciplinary or remedial action will be taken in response.**

Refer to responses to Questions 5 and 6, the Trading Policy was substantially adhered to in respect of the Transactions.

Whilst DRO affirmed in its response to question 6 that clause 5.4 of the Trading Policy had been enlivened, it did so in the context that it was considered on 1 November 2025 in line with the spirit and context of that clause. That is because at the time it was considered on 1 November 2025 no final decision had been made by the relevant directors in relation to whether the sales would take place or the quantum of those sales.

With respect to the part of the question asking about adherence to the Trading Policy with respect to any orders or executions in close proximity to the Initial Announcement by any of the directors and/or their agents, upon DRO determining that the customer contract the subject of the Initial Announcement may not be a new contract, the company secretary contacted ASX to request a pause in trading.

DRO intends to engage external advisers to undertake a review of the Securities Trading Policy (and adherence to the Securities Trading Policy) and will make determinations as to appropriate actions once that advice has been obtained.

- 13. Please outline DRO's internal processes (prior to the Withdrawal Announcement) concerning disclosure of material contracts (from receipt of the order to the approval of the market announcement by DRO's Board and release on MAO), commenting specifically on the process for materiality assessment, preparation, verification and approval of the market announcement.**



The internal process is as follows:

- Order received from customer by DRO representative.
- DRO representative conducts manual checks on the order, including verifying the associated opportunity and order numbers. If no issues are identified with the order, the DRO representative distributes the order to the DRO team.
- DRO management conducts a materiality assessment of the contract. For the year ending 31 December 2025, DRO adopted a materiality threshold of A\$5 million. Single or collective contracts that exceed this threshold are considered material, requiring a market announcement.
- Draft announcement prepared by the CEO and/or a Company Secretary, and then approved by the Board (or the Chairman or another independent Board member, on behalf of the Board).
- Announcement released on MAP.

**14. Please outline how the process referred to in paragraph 13 failed in respect of the Initial Announcement.**

There was an error in the correspondence from the US counterparty as the correspondence indicated that the orders were new purchase orders. The counterparty intended to resubmit prior orders for internal administrative purposes. This was not immediately apparent on the face of the orders as the counterparty was an existing customer with a history of similar orders.

The DRO US representative failed to perform the necessary manual check on the orders, and as a result marked the orders as new contracts rather than revised contracts, before distributing the order to the DRO team.

As part of DRO's usual process to validate new orders, the Sydney-based operations team entered the orders into DRO's systems on the morning of 10 November 2025 which prompted a review of the orders as potential duplicates.

This is the first occasion of this error since DRO's incorporation in 2015.

DRO intends to engage external advisers to undertake a review of the Continuous Disclosure Policy and this incident and will make determinations as to appropriate actions once that advice has been obtained.

**15. When did DRO become aware of each of the orders that were the subject of the Initial Announcement (notwithstanding DRO's later realisation that these were not new orders)?**

Between 12.17pm AEDT and 12.19pm AEDT on Saturday 8 November 2025.

**16. When did DRO become aware that it had made the error in respect of the Initial Announcement?**

Approximately 11.11am AEDT on Monday 10 November 2025. Within minutes DRO's company secretary contacted ASX to request the pause of trading in DRO Shares pending a market release to withdraw the Initial Announcement.

**17. Please provide more detail on the steps DRO has taken or intends to take in response to the error which necessitated the publication of the Withdrawal Announcement.**

The process of validating new customer orders was already being revised in response to business growth. Approximately 12 months ago, DRO initiated efforts to identify suitable ERP



(Enterprise Resource Planning) and CRM (Customer Relationship Management) solutions to modernise and streamline its operational processes with the objective of eliminating the number of manual checks that need to be performed on the lead to invoice process. A Tier 1 ERP and a Tier 1 CRM were selected to automate the end-to-end opportunity-to-invoice workflow. The Tier 1 ERP is scheduled to go live in January 2026, and the Tier 1 CRM went live on 17 November 2025.

In addition, the DRO Board engaged on 14 November 2025 DRO's external auditors, HLB Mann Judd, to conduct a review of the appropriateness of the proposed lead to order processes and related internal controls that will be implemented with the CRM and ERP systems. Based on the review, the proposed processes appear appropriate to mitigate the risk of errors and support high quality reporting.

In the interim while DRO awaits the go-live of those systems, since the error, DRO has implemented a second validation check on new orders received. These two validation checks must be undertaken by senior DRO employees before an announcement is made. As outlined in the response to Question 14, prior to the publication of the Withdrawal Announcement one validation check by a senior DRO employee was conducted to confirm an order. DRO has now revised its sales order intake process for the relevant regional team, and provided training on the revised process.

The DRO Board intends to engage an appropriately qualified external adviser to undertake a broader review of DRO's financial reporting processes and internal controls following implementation of the Tier 1 ERP.

**18. Noting that the Initial Announcement disclosed that DRO's materiality threshold for disclosure of new contracts to the market would increase from \$5 million to \$20 million moving forward, does DRO consider the following information, or any part thereof, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?**

- a) The receipt of a package of three standalone contracts totalling \$7.6 million as disclosed in the Initial Announcement.

**In answering this question, please disregard the fact that DRO subsequently realised that these three contracts were not new contracts.**

Yes. The increase from \$5 million to \$20 million will commence at the beginning of 2026, which DRO considers is an appropriate time to commence having regard to the growth in revenue of the business.

**19. If the answer to question 18 is 'no', please advise the basis for that view.**

Not applicable.

**20. Does DRO consider it has engaged in 'ramping' conduct with the disclosure of the potential 'pipeline' of sales in the Initial Announcement, specifically referring to 'multiple opportunities over \$100 million each, including the largest \$800 million opportunity, that the business is currently working on, with our customers'? ASX notes that DRO appears to have repeatedly made this statement in its prior disclosures to the market.**

No.

**21. If the answer to question 20 is 'yes', please outline what steps DRO intends to take to ensure that it does not engage in this conduct in future.**

Not applicable.



**22. If the answer to question 20 is ‘no’, please provide details, in respect of the opportunities referred to in question 20 above, of:**

- a) the current status of each ‘opportunity’ over \$100 million each;
- b) the expected date of the award of each ‘opportunity’; and
- c) the material assumptions underpinning DRO’s apparent view that the ‘opportunities’ are of sufficient certainty to warrant disclosure to the market.

DRO provides quarterly sales pipeline updates to shareholders as DRO operates in a nascent industry which generally operates under short-term contracts. It is DRO's experience that shareholders and analysts have a high level of interest in DRO's prospective pipeline, specifically orders in excess of A\$100 million as contracts of this size can materially impact DRO's financial results. DRO has consistently reported its sales pipeline in investor materials and market updates for many years.

When providing sales pipeline updates (including the below), DRO discloses that the pipeline includes existing defined sales opportunities at various stages of maturity, that the opportunities are unweighted for probability, and that there is no assurance that any of DRO's sales opportunities, including those listed below, will result in sales.

The materiality of an unsuccessful tender or non-conversion of an opportunity in the sales pipeline is considered having regard to DRO's total sales pipeline. DRO does not intend to provide further updates on the specific opportunities below unless the update is material.

#### **Response to question 22(a)**

- Opportunity #1 – Europe - ~A\$800 million opportunity with existing customer. Under active discussions with the customer.
- Opportunity #2 – USA - A\$230 million opportunity for handheld systems. Request for information submitted.
- Opportunity #3 – Asia-Pacific - A\$225 million opportunity with existing customer. Under active discussions with the customer.

#### **Response to question 22(b)**

- Opportunity #1 – ~July 2026.
- Opportunity #2 – ~late 2026.
- Opportunity #3 – ~late 2026.

#### **Response to question 22(c)**

Opportunities #1, #2 and #3 are all with existing DRO customers, and who DRO understands have time sensitive requirements for products of a nature produced by DRO and its competitors.

DRO operates in a complex geopolitical government market with a large number of variables and complexities which may impact the timing and the scope of its sales.

**23. Please confirm that DRO is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.**

Confirmed.



**DRONE SHIELD**

- 24. Please confirm that DRO's responses to the questions above have been authorised and approved in accordance with 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.**

DRO confirms that its responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy by the DRO Board.

Please contact me if you wish to discuss any aspect of this letter.

Yours sincerely,  
**DroneShield Limited**

A handwritten signature in black ink that appears to read "Carla Balanco".

**Carla Balanco** | Joint Company Secretary  
E: investors@droneshield.com



13 November 2025

Mr Paul Cenoz  
General Counsel & Joint Company Secretary  
DroneShield Limited  
Level 5  
126 Phillip Street  
Sydney NSW 2000

By email:

Dear Mr Cenoz

**DroneShield Limited ('DRO'): ASX Query Letter**

ASX refers to the following:

- A. DRO's responses to ASX's Aware Letters published on the ASX Market Announcements Platform ('MAP') on 10 September 2025 in which DRO stated (relevantly):

*DRO has adopted a continuous disclosure policy, which provides guidance as to when information is market sensitive. DRO intends to adopt quantitative materiality guidelines for contract-related announcements to prevent future errors.*

- B. DRO's announcement titled 'Cleansing Notice' released on MAP on 5 November 2025 (the 'Cleansing Notice'), which stated (relevantly):

*as at the date of this notice, there is no excluded information for the purposes of sections 708A(7) and 708A(8) of the Corporations Act.*

- C. The decrease in the price of DRO's securities from a closing price of \$3.85 on 5 November 2025 to a closing price of \$3.40 on 6 November 2025.

- D. DRO's announcement titled 'Increasing Order Pace with the Latest \$7.6m Order' released on MAP on 10 November 2025 (the 'Initial Announcement'), which disclosed the following (relevantly):

*(DRO) is pleased to announce it is seeing continued rapid increase in customer order flow, substantially from repeat customers looking to step up the amount of counterdrone systems from a low or no existing base, with the receipt of a package of 3 standalone contracts totalling \$7.6 million for handheld systems for delivery to the U.S. Government. DroneShield expects to deliver all equipment in Q4 2025, with cash payments expected in Q4 2025 or Q1 2026. No additional material conditions need to be satisfied. There is no obligation for any additional contracts from this customer.*

*DroneShield has previously received orders from this customer, including \$5.7 million in May 2024 and \$7.9 million in September 2025.*

...

*DroneShield CEO, Oleg Vornik, commented, "In addition to the larger orders such as the \$62 million European order received in June and fully delivered since, smaller frequent orders such as this one play an important role in ensuring the steady flow of the business, ongoing market fulfilment with our solutions, as well as building trust and laying ground for the larger orders in our sales pipeline. The pipeline includes multiple opportunities over \$100 million each, including the largest \$800 million opportunity, that the business is currently working on, with our customers."*

...

*"Moving forward, taking into account the substantial revenue growth of the business in 2025, the announcement threshold for received orders in 2026 will increase from the current \$5 million (which was based on the \$57 million of revenue in 2024) to \$20 million, unless there is a further rationale to announce a received smaller order."*

...

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

E. The pause in trading of DRO's securities effected at 11:26 AM AEDT on 10 September 2025.

F. DRO's announcement titled 'Withdrawal of ASX Announcement dated 10 November 2025' (the 'Withdrawal Announcement'), which stated (relevantly):

*(DRO) refers to its 10 November 2025 announcement of an order for 3 standalone contacts totalling \$7.6 million for handheld systems for delivery to the U.S. Government (November Contracts).*

*DroneShield advises that the November Contracts do not represent new orders. The November Contracts were orders that were reissued by the customer due to regulatory updates. The November Contracts were previously issued to DroneShield this year. One of the November Contracts was previously announced by DroneShield to the ASX on 17 September 2025.*

*The November Contracts were inadvertently marked as new contracts rather than revised contracts due to an administrative error. DroneShield is taking steps to prevent this error from reoccurring.*

G. The three Appendices 3Y released on MAP after market close on 12 November 2025 ('Appendices 3Y'), which disclosed the disposal of DRO securities by the following DRO directors over the course of 6 – 12 November 2025:

- i. 1,460,000 ordinary shares by Mr Jethro Marks;
- ii. 14,806,833 ordinary shares by Mr Oleg Vornik; and
- iii. 3,685,345 ordinary shares by an entity associated with Mr Peter James

(together, the 'Transactions').

H. The decrease in the price of DRO's securities from a closing price of \$3.28 on 12 November 2025 to an intraday low at the time of writing of \$2.20 following the release of the Appendices 3Y concerning the Transactions.

I. DRO's securities trading policy, available on its website, which states (relevantly):

### **5.1 Approval requirements**

*(a) Any Director (other than the Chairman) wishing to buy, sell or exercise rights in relation to the Company's securities must obtain the prior written approval of the Chairman or the Board before doing so.*

*(b) Any other Key Management Personnel (excluding Directors) wishing to buy, sell or exercise rights in relation to the Company's securities must obtain the prior written approval of the Managing Director before doing so.*

*(c) Any Employee of the Company (other than Key Management Personnel) wishing to buy, sell or exercise rights in relation to the Company's securities must obtain the prior written approval of the Managing Director before doing so.*

*(d) If the Chairman wishes to buy, sell, or exercise rights in relation to the Company's securities, the Chairman must obtain the prior approval of the Managing Director or the Board before doing so.*

---

(e) Approvals sought in respect of (a) to (d) above shall not be unreasonably withheld.

### **5.2 Approvals to buy or sell securities**

(a) All requests to buy or sell securities as referred to in paragraph 5.1 must include the intended volume of securities to be purchased or sold and an estimated time frame for the sale or purchase.

(b) Copies of written approvals must be forwarded to the Company Secretary prior to the approved purchase or sale transaction.

...

### **5.4 Key Management Personnel sales of securities**

*Key Management Personnel need to be mindful of the market perception associated with any sale of Company securities and possibly the ability of the market to absorb the volume of shares being sold. With this in mind, the management of the sale of any significant volume of Company securities (ie a volume that would represent a volume in excess of 10% of the total securities held by the seller prior to the sale, or a volume to be sold that would be in excess of 10% of the average daily traded volume of the shares of the Company on the ASX for the preceding 20 trading days) by a Key Management Personnel needs to be discussed with the Board and the Company's legal advisers prior to the execution of any sale. These discussions need to be documented in the form of a file note, to be retained by the Company Secretary.'*

J. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.

K. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

*an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity.*

L. Section 4.4 in *Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B* titled "When does an entity become aware of information?"

M. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure as follows.

3.1A *Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*

3.1A.1 *One or more of the following 5 situations applies:*

- *It would be a breach of a law to disclose the information;*
- *The information concerns an incomplete proposal or negotiation;*
- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

3.1A.3 *A reasonable person would not expect the information to be disclosed.*

- 
- N. The concept of “confidentiality” detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B* (‘Guidance Note 8’). In particular, the Guidance Note states that:

*Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it is no longer a secret and it ceases to be confidential information for the purposes of this rule.*

- O. Section 7.10 of Guidance Note 8 titled ‘Ramping Announcements’ which states (relevantly):

*ASX is alive to listed entities making market announcements with a view to “ramping up” the price of their securities. Ramping announcements come in many forms, including:*

...

- an announcement that an entity has entered into what appears to be a material contract or transaction but without disclosing key information that investors and their professional advisers reasonably need to understand the materiality of the contract or transaction and to assess its impact on the price or value of the entity's securities.*

*The last example above occurs not infrequently in the context of announcements about customer contracts. Some examples that ASX has observed include an entity:*

- projecting very substantial revenues from a customer contract where it is not apparent that the projection is based on reasonable grounds;...*

### **Request for information**

Having regard to the above, ASX asks DRO to respond separately to each of the following questions:

1. Does DRO consider the following information, or any part thereof, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
  - 1.1 The agreement by three directors (including the chairman and chief executive officer) of DRO, or by any one of those directors, to dispose of their entire ordinary shareholding in DRO.
  - 1.2 The disposal by the three directors referred to above, or any one of them, of their entire ordinary shareholding in DRO.Please answer separately for each of the above.
2. If the answer to any part of question 1 is ‘no’, please advise the basis for that view.  
Please answer separately for each of the items in question 1 above.
3. When did DRO become aware of the information referred to in question 1 above?  
Please answer separately for each of the items in question 1 above.
4. If DRO first became aware of the information referred to in question 1 before the date of release of the Appendices 3Y, did DRO make any announcement prior to that date which disclosed the information? If not, please explain why the information was not released to the market at an earlier time, commenting specifically on when you believe DRO was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps DRO took to ensure that the information was released promptly and without delay.

Please answer separately for each of the items in question 1 above and provide details of the prior announcement if applicable.

- 
5. Did each of the directors referred to in paragraph G above comply with the notification and approval requirements outlined in the Trading Policy in respect of the Transactions? If so, please outline when approval was sought by each of the directors, and when the approval was granted by the relevant persons at DRO. Additionally, please provide a copy of the request and approval for each director (not for release to market).
  6. Does DRO consider the Transactions enlivened section 5.4 of the Trading Policy?
  7. If the answer to question 6 is:
    - 7.1 'no', please explain why not and provide the date and time when DRO became aware of any of the director's intention to sell DRO securities.
    - 7.2 'yes', please provide a copy of the relevant file notes (not for release to market).
  8. Was DRO aware of the intention of any of its directors to dispose of the securities at the time it issued the Cleansing Notice?
  9. If the answer to question 8 is 'yes', does DRO consider that the Cleansing Notice was validly issued? If so, please explain the basis for that view, noting that the price of DRO's securities decreased significantly on 6 November 2025.
  10. Did any of the Transactions occur after the Initial Announcement was released, but before the Withdrawal Announcement was released? If so, please confirm the volume of securities disposed of, and total consideration received by, each relevant director during this time period.
  11. Noting that the Appendix 3Y for each director disclosed only that the 'date of change' in respect of the Transactions was '6 – 12 November', please provide (in a form suitable for release to the market) a revised Appendix 3Y for each director which includes details of each separate disposal of securities by the relevant director forming part of the Transactions, including:
    - 11.1 the date of each disposal; and
    - 11.2 the volume disposed of on the relevant day.
  12. Please confirm whether the Trading Policy was adhered to in respect of the Transactions, including any orders or executions in close proximity to the Initial Announcement by any of the directors and/or their agents. If the Trading Policy was not complied with, please outline what disciplinary or remedial action will be taken in response.
  13. Please outline DRO's internal processes (prior to the Withdrawal Announcement) concerning disclosure of material contracts (from receipt of the order to the approval of the market announcement by DRO's Board and release on MAO), commenting specifically on the process for materiality assessment, preparation, verification and approval of the market announcement.
  14. Please outline how the process referred to in paragraph 13 failed in respect of the Initial Announcement.
  15. When did DRO become aware of each of the orders that were the subject of the Initial Announcement (notwithstanding DRO's later realisation that these were not new orders)?
  16. When did DRO become aware that it had made the error in respect of the Initial Announcement?
  17. Please provide more detail on the steps DRO has taken or intends to take in response to the error which necessitated the publication of the Withdrawal Announcement.
  18. Noting that the Initial Announcement disclosed that DRO's materiality threshold for disclosure of new contracts to the market would increase from \$5 million to \$20 million moving forward, does DRO consider

---

the following information, or any part thereof, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?

- 18.1 The receipt of a package of three standalone contracts totalling \$7.6 million as disclosed in the Initial Announcement.

In answering this question, please disregard the fact that DRO subsequently realised that these three contracts were not new contracts.

19. If the answer to question 18 is 'no', please advise the basis for that view.
20. Does DRO consider it has engaged in 'ramping' conduct with the disclosure of the potential 'pipeline' of sales in the Initial Announcement, specifically referring to 'multiple opportunities over \$100 million each, including the largest \$800 million opportunity, that the business is currently working on, with our customers?' ASX notes that DRO appears to have repeatedly made this statement in its prior disclosures to the market.
21. If the answer to question 20 is 'yes', please outline what steps DRO intends to take to ensure that it does not engage in this conduct in future.
22. If the answer to question 20 is 'no', please provide details, in respect of the opportunities referred to in question 20 above, of:
  - i. the current status of each 'opportunity';
  - ii. the expected date of the award of each 'opportunity'; and
  - iii. the material assumptions underpinning DRO's apparent view that the 'opportunities' are of sufficient certainty to warrant disclosure to the market.
23. Please confirm that DRO is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
24. Please confirm that DRO's responses to the questions above have been authorised and approved in accordance with 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**

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 **9:00 AM AEDT Tuesday, 18 November 2025**.

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 above and may require DRO to request a trading halt immediately if trading in DRO's securities is not already halted or suspended.

Your response should be sent by e-mail to **ListingsComplianceSydney@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow us 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.

#### **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**

We reserve 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. The usual course is for the correspondence to be released to the market.

Yours sincerely

---

ASX Compliance