

OMB APPROVAL	
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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>THATCHER TREVOR</u> (Last) (First) (Middle) C/O PALLADYNE AI CORP. 650 SOUTH 500 WEST, SUITE 150 (Street) SALT LAKE CITY UT 84101 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>Palladyne AI Corp. [STRC]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>CHIEF FINANCIAL OFFICER</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>03/29/2024</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	03/29/2024		A		100,000 ⁽¹⁾	A	\$0	114,598	D	
Common Stock	03/29/2024		F ⁽²⁾		1,112	D	\$1.81	113,486 ⁽³⁾	D	
Common Stock	04/01/2024		F ⁽²⁾		30	D	\$1.97	113,456 ⁽⁴⁾	D	

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date					

Explanation of Responses:

- Represents restricted stock units ("RSUs") granted pursuant to the 2021 Equity Incentive Plan, which can only be settled with shares of common stock. 25% of the award vests on March 29, 2025, and 1/12 of the award vests on each quarterly vesting date thereafter, subject to continued service through the applicable vesting date.
- In an exempt disposition to the Issuer under Rule 16b-3(e), the Reporting Person remitted shares to the Issuer in connection with the satisfaction of tax withholding obligations arising out of the vesting of RSUs.
- Includes shares represented by RSUs, of which 3,240 settled on March 29, 2024 and were then reduced by the 1,112 shares withheld for taxes as reported on this Form 4.
- Includes shares represented by RSUs, of which 100 settled on April 1, 2024 and were then reduced by the 30 shares withheld for taxes as reported on this Form 4.

/s/ Stephen Sonne, attorney-in-fact on behalf of Trevor Thatcher 04/02/2024

** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.