

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

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

Check this box to indicate that a transaction was made pursuant to a contract, instruction or written plan for the purchase or sale of equity securities of the issuer that is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c). See Instruction 10.

1. Name and Address of Reporting Person* <u>FINN BRIAN D</u> (Last) (First) (Middle) <u>C/O PALLADYNE AI CORP</u> <u>650 SOUTH 500 WEST, SUITE 150</u> (Street) <u>SALT LAKE</u> UT <u>84101</u> <u>CITY</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>Palladyne AI Corp. [PDYN]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <u>10/31/2024</u>	
6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person		

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	10/31/2024		A ⁽¹⁾		107,526	A	\$2.2	467,760	I	By Marstar Investments LLC ⁽²⁾
Common Stock								62,142	D	
Common Stock								243,125	I	By MI-CM LLC ⁽³⁾
Common Stock								85,858	I	By MI-MJ LLC ⁽⁴⁾

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						Title
Warrants (right to buy)	\$2.3	10/31/2024		A ⁽¹⁾		107,526		05/01/2025	05/01/2030	Common Stock	107,526	\$0.125	107,526	I	By Marstar Investments LLC ⁽²⁾

Explanation of Responses:

- The reported acquisition is an exempt transaction under Rule 16b-3.
- Securities are held by Marstar Investments LLC ("Marstar"). Mr. Finn is the administrator of Marstar and has sole voting and dispositive power over the shares of Issuer common stock held by Marstar. Mr. Finn disclaims beneficial ownership of these shares except to the extent of any pecuniary interest therein.
- Securities are held by MI-CM LLC ("MI-CM"). Mr. Finn is the administrator of MI-CM. As administrator, Mr. Finn has sole voting and dispositive power over the shares of Issuer common stock held by MI-CM. Mr. Finn disclaims beneficial ownership of these shares except to the extent of any pecuniary interest therein.
- Securities are held by MI-MJ LLC ("MI-MJ"). Mr. Finn is the administrator of MI-MJ. As administrator, Mr. Finn has sole voting and dispositive power over the shares of Issuer common stock held by MI-MJ. Mr. Finn disclaims beneficial ownership of these shares except to the extent of any pecuniary interest therein.

/s/ Stephen Sonne, attorney in fact on behalf of Brian D. Finn 11/05/2024

** 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.