

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Draganfly Inc. ("**Draganfly**" or the "**Company**")
2108 St. George Avenue
Saskatoon, Saskatchewan S7M 0K7

Item 2 Date of Material Change

April 30, 2020

Item 3 News Release

A news release dated April 30, 2020 was disseminated to the Canadian Securities Exchange and through various other approved public media and filed on SEDAR with applicable securities commissions.

Item 4 Summary of Material Change(s)

On April 30, 2020, the Company announced that further to its press release dated January 16, 2020, the Company completed the share purchase transaction (the "**Transaction**") with the shareholders of Dronelogics Systems Inc. ("**Dronelogics**"), acquiring all of the shares of Dronelogics for cash and common shares of Draganfly ("**Draganfly Shares**").

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

On April 30, 2020, the Company announced that further to its press release dated January 16, 2020, the Company completed the Transaction with the shareholders of Dronelogics, acquiring all of the shares of Dronelogics for cash and Draganfly Shares.

On closing of the Transaction (the "**Closing**"), the Company paid the shareholders of Dronelogics (the "**Sellers**") CAD\$2.0 million, consisting of a cash payment of CAD\$500,000, subject to a post-closing working capital adjustment, and 3,225,438 Draganfly Shares in satisfaction of the balance of the purchase price and payment of certain management bonuses at a deemed price of CAD\$0.50 per share and welcomed Mr. Hannewyk as a member of the Board. On Closing, the Company also issued an additional 200,000 Draganfly Shares to a finder.

The Company also announced that its Board had appointed Scott Larson as its Lead Independent Director.

Corporate Update

The Company also granted stock options to certain consultants of the Company. Incentive stock options to purchase up to 600,000 common shares were granted to consultants of the Company, pursuant to the Company's share compensation plan, exercisable at a price of \$0.77 per common share. The options have a term of 10 years

and vest in three equal tranches, on the first, second and third anniversaries of the date of grant.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Paul Sun, Chief Financial Officer & Corporate Secretary
Tel: 1.800.979.9794

Item 9 Date of Report

May 6, 2020