

**FORM 51-102F3
MATERIAL CHANGE REPORT**

1. Name and Address of Company

Draganfly Inc. (“**Draganfly**” or the “**Company**”)
2108 St. George Avenue
Saskatoon, SK S7M 0K7

2. Date of Material Change

July 6, 2020 and July 16, 2020

3. News Release

News releases were disseminated on July 3, 2020 and July 28, 2020 via GlobeNewswire.

4. Summary of Material Change

On July 6, 2020, Draganfly completed a non-brokered private placement of 961,538 common shares (“**Common Shares**”) at a price of \$0.52 per Common Share for gross proceeds of \$500,000.

On July 16, 2020, Draganfly completed a shares for debt transaction for payment of a 3rd party strategic vendor’s invoices. Draganfly issued an aggregate of 555,409 Common Shares at a deemed price of \$0.55 per Common Share to settle \$305,475.03 of outstanding debt.

5.1 Full Description of Material Change

On July 6, 2020, Draganfly completed a non-brokered private placement of 961,538 Common Shares at a price of \$0.52 per Common Share for gross proceeds of \$500,000. The Common Shares are subject to a four-month hold period from the date of issuance in accordance with applicable securities laws.

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5.2 Disclosure for Restructuring Transactions

Not Applicable.

6. Reliance on Section 7.1(2) or (3) of National Instrument 51-102

Not Applicable.

7. Omitted Information

None.

8. **Executive Officer**

The name of the executive officer of the Company who is knowledgeable about the material change and this report is:

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

9. **Date of Report**

July 28, 2020