



Draganfly Enters Agreement with Applied Research and Innovations Services at Southern Alberta Institute of Technology to Advance UAV Delivery Technology

Los Angeles, CA. March 9, 2021 -- Draganfly Inc. (OTCQB: DFLYF) (CSE: DFLY) (FSE: 3U8) ("Draganfly" or the "Company"), award-winning, industry-leading drone solutions, and systems developer, today announced that it has entered into an agreement with the Southern Alberta Institute of Technology ("SAIT") to advance UAV delivery technology.

Draganfly, SAIT Centre for Innovation and Research into Unmanned Systems (CIRUS), and SwissDrones AG will work towards the development of an integrated payload system to be used in direct collaboration with other heavy-duty and long-haul UAV manufacturers.

This will include:

- Designing, developing, and testing of a cargo system for medical delivery to be mounted on a variety of drones including VTOL rotary and fixed-wing platforms.
- Developing test protocols, operational procedures, and standards for Beyond Visual Line of Sight (BVLOS) medical delivery operation within the framework of Transport Canada (TC), US Federal Aviation Agency (FAA), and European Union Aviation Safety Agency (EASA) procedures and protocols.
- Developing an operational manual for BVLOS operation of heavy lifting and long endurance RPASS to be used for commercial application under an Air Operator's Certificate (AoC).

"Our team is looking forward to the outcome of this project, which is to build the ultimate payload system which expands the capability for UAV delivery," said Tom Bornhorst, VP CDARI at SAIT.

"We are bringing together the best in tech and engineering to advance UAV delivery technology," said Cameron Chell, CEO of Draganfly. "We are super excited for what these advancements will mean for Draganfly's current and future customers."

This national and international collaboration was only possible through a common vision to apply advanced technology for the benefit of people affected by the pandemic. The team at SAIT/ CIRUS is proud and excited to use their expertise to support medical delivery and humanitarian aid to people in remote communities. (Shahab Moeini, Senior Lead Researcher & Operations Manager at SAIT/CIRUS).

The Company announces that it has completed the final closing of its Regulation A+ offering of units sold pursuant to the Company's Regulation A+ offering circular ("Offering Document") filed with the U.S. Securities and Exchange Commission. The Company issued 32,443,457 units at the offering price set out in the Offering Document for gross proceeds in the amount of approximately US\$15.3 million in the final closing. Each unit is comprised of one common share of the Company and one common share purchase warrant, with each warrant entitling the holder to acquire one common share at a price of US\$0.71 per common share for a period of two years from the date of issuance. The common shares and warrants issued in connection with the offering are subject to a nine month hold period. In total, the Company issued 35,000,000 units under its Offering Document (which is the maximum number of securities qualified to be sold in the offering) for aggregate gross proceeds of US\$16,450,000. The offering was conducted to the public under an offering statement on Form 1-A, which includes an Offering Circular (the "Offering Statement"), pursuant to Regulation A under the United States Securities Act of 1933, as amended (the

"1933 Act"), filed with the United States Securities and Exchange Commission (the "SEC"). The securities sold pursuant to the offering have not been approved or disapproved by the SEC, nor has any such regulatory authority passed upon the accuracy or adequacy of the Offering Statement. This news release shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any offer or sale of any securities, in any state or jurisdiction in which the offer, solicitation, or sale of securities would be unlawful. Copies of the Offering Statement (including the Offering Circular contained therein), are available at www.sedar.com and www.sec.gov.

The Company also announces that it has entered into an asset purchase agreement with Vital Intelligence Inc. ("Vital") to purchase all the assets of Vital in consideration for: (a) a cash payment of \$500,000 with \$50,000 paid upon execution of the asset purchase agreement, \$200,000 to be paid at closing and \$250,000 to be paid on the six-month anniversary date of closing; and (b) 6,000,000 units of the Company with each unit being comprised of one common share of the Company and one common share purchase warrant. Each warrant will entitle the holder to acquire one common share for a period of 24 months following closing at an exercise price of \$2.67 per common share and the Company will be able to accelerate the expiry date of the warrants after one year in the event the underlying common shares have a value of at least 30% greater than the exercise price of the warrants. The units will be held in escrow following closing with 1,500,000 units being released at closing and the remainder to be released upon the Company reaching certain revenue milestones received from the purchased assets. The closing of the acquisition is expected to occur on or about March 30, 2021.

About SAIT

Established in 1916, SAIT was the first publicly funded technical school of its kind in North America. Today, SAIT is a global leader in applied education, serving 50,000 students annually through more than 100 career programs and 1,300 part-time courses. Action-based learning, solution-focused research, and enterprising collaborations with industry partners ensure SAIT students are career-ready when they graduate. SAIT is honored to be selected by Mediacorp Canada Inc. as one of Alberta's Top Employers for 2020. sait.ca

About Draganfly

Draganfly Inc. (CSE: DFLY; OTCQB: DFLYF; FSE: 3U8) is the creator of quality, cutting-edge drone solutions, software, and AI systems that revolutionize the way organizations can do business and service their stakeholders. Recognized as being at the forefront of technology for over 22 years, Draganfly is an award-winning, industry-leader serving the public safety, agriculture, industrial inspections, security, mapping, and surveying markets. Draganfly is a company driven by passion, ingenuity, and the need to provide efficient solutions and first-class services to its customers around the world with the goal of saving time, money, and lives.

For more information on Draganfly, please visit us at www.draganfly.com.

For additional investor information, visit <https://www.thecse.com/en/listings/technology/draganfly-inc>, <https://www.otcmartets.com/stock/DFLYF/overview> or <https://www.boerse-frankfurt.de/aktie/draganfly-inc>.

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Forward-Looking Statements

This release contains certain "forward looking statements" and certain "forward-looking information" as defined under applicable Canadian securities laws. Forward-looking statements and information can

generally be identified by the use of forward-looking terminology such as “may”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “continue”, “plans” or similar terminology. Forward-looking statements and information are based on forecasts of future results, estimates of amounts not yet determinable and assumptions that, while believed by management to be reasonable, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Forward-looking statements include, but are not limited to, statements with respect to the partnership with SAIT and the closing of the acquisition of the Vital assets. Forward-looking statements and information are subject to various known and unknown risks and uncertainties, many of which are beyond the ability of the Company to control or predict, that may cause the Company’s actual results, performance or achievements to be materially different from those expressed or implied thereby, and are developed based on assumptions about such risks, uncertainties and other factors set out here in, including but not limited to: the potential impact of epidemics, pandemics or other public health crises, including the current outbreak of the novel coronavirus known as COVID-19 on the Company’s business, operations and financial condition, the successful integration of technology, the inherent risks involved in the general securities markets; uncertainties relating to the availability and costs of financing needed in the future; the inherent uncertainty of cost estimates and the potential for unexpected costs and expenses, currency fluctuations; regulatory restrictions, liability, competition, loss of key employees and other related risks and uncertainties disclosed under the heading “Risk Factors” in the Company’s most recent filings filed with securities regulators in Canada on the SEDAR website at www.sedar.com. The Company undertakes no obligation to update forward-looking information except as required by applicable law. Such forward-looking information represents managements’ best judgment based on information currently available. No forward-looking statement can be guaranteed and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information.